



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE APPLICATION
BY STONE ENERGY CORPORTION FOR AN
ORDER FROM THE COMMISSION FOR AN
EXCEPTION TO SPACING REQUIREMENTS
AND TO ESTABLISH A 487.85 ACRE
DRILLING UNIT AND POOLING OF UNLEASED
TRACTS AND INTERESTS OF OIL AND GAS
OWNERS AND OPERATORS WHO HAVE NOT
ENTERED INTO VOLUNTARY AGREEMENTS
ALLOWING FOR THE DEVELOPMENT AND
OPERATION OF THE UNIT, SAID UNIT TO
BE LOCATED IN PROCTOR DISTRICT, WETZEL
COUNTY, WEST VIRGINIA.

DOCKET NO. 233
CAUSE NO. 223
ORDER NO. 1

REPORT OF THE COMMISSION

This cause came before the Conservation Commission of the State of West Virginia commencing at 1:05 p.m. on July 24, 2015, at the offices of the Oil and Gas Conservation Commission, 601 57th Street, S.E., Charleston, West Virginia 25304, after giving notice as required by law, on the application of Stone Energy Corporation for an exception to the spacing requirements of W. Va. C.S.R. § 39-1-4.2 with respect to the well identified as the Erlewine 12HU, 14HU and 16HU, and for an Order to establish a drilling unit and pooling of unleased interests.

Present on behalf of the Commission was Barry Lay, Chairman; Robert Radabaugh, Commissioner; James Martin, Commissioner; Lisa McClung, Commissioner; Gregory Foster, Assistant Attorney General, and Cindy Raines, Staff.

Promoting a healthy environment.

Appearances were entered by Timothy M. Miller, of the firm Babst, Calland, Charleston, West Virginia on behalf of Stone Energy Corporation ("Applicant"); Roger L. Cutright, Land Manager and Special Counsel for the Applicant; and Diane Marcotte Corwyn, Operations Manager for the Applicant. No other parties or individuals entered an appearance.

The Chairman submitted into the record as Exhibit 1, the Notice of Hearing and return receipt cards; Exhibit 2, the Class II Legal Advertisement and Confirmation; Exhibit 3, the Application to the Commission for spacing exceptions and pooling of interests; Exhibit 4, the Application for the Erlewine 12HU, 14HU and 16HU wells; and, Exhibit 5, a July 23, 2015 letter from B&R Holdings, Inc. addressed to the Commission containing a protest to the Application. Exhibits 1-5 were admitted into the record without objection.

Counsel for the Applicant proffered as Exhibit 6, an Amended and Supplemental Application, which amended Paragraph No. 11 of the Application and an Amended Exhibit E to reflect that two previously unleased mineral owners have now executed leases therefore reducing the size of the missing and unknown owners and unleased interests to 4.471716 net acres, comprising 0.92 percent of the unit acreage. Counsel also proffered Exhibit 7, the Memoranda of Lease entered into with the two interests which have been leased since the filing of the initial Application, and Exhibit 8; a July 22, 2015 letter agreement between SWN Production Company LLC and Stone Energy Corporation. Exhibits 6 through 8 were admitted into the record, without objection.

Roger L. Cutright was called as the first witness on behalf of the Applicant and gave testimony that included a summary of his education and experience in land, title and legal matters related to oil and gas drilling and development. Mr. Cutright also explained and verified the reason for the submission of Exhibits 6 and 7 to reflect the additional interests which have been leased since the filing of the original Application.

Mr. Cutright further testified to explain Exhibit 8, the letter agreement between SWN Production Company, which is written confirmation of an agreement between the parties whereby SWN Production Company does not have any protest or objection to the Application given that the parties intend to enter into a trade agreement or other contractual arrangement to allow the operation of the well by the Applicant.

Mr. Cutright testified regarding the size of 487.85 unit acres; the configuration of the unit; the lateral offset and unit boundary distances from the wellbores and that there were no deep wells within 3,000 feet of the proposed wells, and that the proposed wellbores will be at least 400 feet from the lease and unit boundaries. Further, Mr. Cutright testified the proposed wells will be drilled on an existing pad as reflected on the plats and surveys included in the Application package and as a result there would be significantly less surface disturbance than if the spacing exception was not granted and new well locations needed to be constructed. Mr. Cutright testified from a land department standpoint, the granting of the exceptions would result in less surface disturbance, less traffic on roads, other logistical and infrastructure efficiencies to allow the maximum recovery of the gas, and prevent waste.

With respect to the application for pooling of unleased interests, Mr. Cutright identified a) those interests where the mineral owners are unknown or unlocatable and b) those that are known but unleased.

With respect to the missing, unknown or unlocatable heirs, the Applicant will file a civil action in the Circuit Court of Wetzel County pursuant to W. Va. Code § 55-12A-4 and the Circuit Court will have jurisdiction and authority to determine whether to order that the interests will be leased and the terms of any such leases. Mr. Cutright explained that the Applicant has had occasion to file similar civil actions in the Circuit Court of Wetzel County. Proffered as Exhibit 9, was an July 16, 2014 Order of the Circuit Court of Wetzel County, signed by the Honorable Judge David W. Hummel, Jr., in civil action number 13-C-100, approving the sale of

the mineral interests of missing and unknown heirs, and upon the recommendations of the Special Commissioner and approval of a guardian ad litem appointed to represent the missing and unknown heirs, the Court also approved an Oil and Gas lease with Stone Energy upon payment of a \$3,500 per net acre signing bonus, at a royalty rate of 18.75% , without deduction of post production expenses. Mr. Cutright also proffered as Exhibit 10, a July 17, 2015, Order of the Circuit Court of Wetzel County, the Honorable Judge Jeffrey Cramer, in Civil Action No. 13-C-32, approving the leasing of the interests of missing and unknown heirs, with a \$4,500 signing bonus, a royalty rate of 18.75% and no deductions for post production costs. Mr. Cutright further testified to and explained the average royalty rate for the leases in the proposed unit, and in answer to questions from the Commissioner, the maximum signing bonus and royalty rate that he could recall being paid by Applicant in the vicinity of the proposed wells. Exhibits 9 and 10 were admitted into the record, without objection.

Mr. Cutright also testified that with respect to the unleased interests, in the event any such parties would choose to participate in the well, the Applicant would use the AAPL Form 610, 1989, with the new horizontal well Joint Operating Agreement modifications and revisions.

After questioning of Mr. Cutright by members of the Commission, the Applicant then called its second witness, Diane M. Corwyn, Operations Manager for Stone Energy, whose resume was submitted as Exhibit 11. Ms. Corwyn testified regarding her experience in reservoir engineering, management and operation of horizontal wells, and knowledge of the proposed unit and the proposed operations. Ms. Corwyn testified the Applicant has drilled approximately 120 horizontal wells to date. For purposes of analysis of the reservoir characteristics and the proposed laterals the Applicant has utilized its experience with drilling Marcellus wells in the region, industry data and the approximately 9 months of production from the Applicant's Pribble 6H unit, a deep well drilled to the Pt. Pleasant formation whose top hole location is approximately 1.3 miles from the proposed Erlewine wells. Ms. Corwyn further explained the

target formation for the proposed wells is the Point Pleasant, which was below the top of the Onondaga formation, therefore a deep well. Mr. Corwyn testified regarding the proposed length and location of laterals as reflected in the Application submitted to the Commission and the exhibits admitted of record. Ms. Corwyn further explained the reservoir characteristics, including the depth and thickness of the target formation. Based upon decline-type curve analysis and other data and information, including the core data and log data from the Pribble 6H well, the projected porosity of the target formation is approximately 7.0; TLC's are approximately 3 percent; and, the average permeability is roughly 2.0 nanodarcys. She testified regarding other technical and scientific considerations which generated the request for the spacing exception and configuration of the unit.

Ms. Corwyn also testified regarding the projected costs to drill; that she is not aware of any other operator or mineral owner in the proposed unit that would have the financial ability and interest to act as Operator; that the Applicant operates approximately 120 Marcellus and Utica wells in the region and has the technical, operational and financial experience to act as Operator. Ms. Corwyn also explained that the costs incurred for the permitting and construction of the existing pad on which the proposed well are to be located had already been incurred and would not be reflected in the costs attributable to any unleased owners who choose to participate in the well.

Ms. Corwyn also testified that if the spacing and pooling requests were granted the Applicant desires the Commission allow a protective zone above and below the projected target formation of 100 feet above the top of the Utica to 100 feet below the top of the Trenton, to prevent waste. After further and additional questioning by counsel and by the members of the Commission, Exhibit 11 was admitted into the record, without objection, and the Applicant advised it had no further witnesses or evidence to offer.

With respect to Exhibit 5, the protest letter, counsel argued the grounds stated in the protest relate to private contractual issues regarding financial terms and conditions between the Applicant and a joint venture partner, and is a private contractual dispute, not a matter subject to the jurisdiction of the Commission.

The Applicant submitted the case for decision by the Commission. The Commission adjourned to Executive Session to consider the Application.

After Executive Session, and on the record, a Motion was made by Commissioner Radabaugh to grant the Applicant's request for an exception to the 3,000 foot spacing requirement set forth in West Virginia Code of State Regulations, W. Va. C.S.R. § 39-1-4.2, to allow the formation of a 487.85 acre unit and the drilling of the unit as proposed, with spacing of 1,200 feet between laterals and for the pooling of the unleased interests in the unit, as reflected in Amended Exhibit E, subject to the requirement that for any unleased interest that is not subject to exclusive jurisdiction and authority of the Circuit Court of Wetzel County to set the lease terms with respect to the missing, unknown or unlocatable heirs, the acreage bonus will be \$5,000 per acre, with a 19.00% royalty rate, and without any deductions allowed for the post production costs incurred. Further, in the event any of the unleased interests elect to participate in the well and the parties are unable to voluntarily negotiate the terms of a Joint Operating Agreement (JOA), the Commission shall be convened and determine the terms of any such joint operating agreement to be entered into between the parties. The motion was seconded by Commissioner Martin, and a vote was taken and the motion was unanimously approved. Thereupon, the Commission made the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. A hearing before the Commission members Barry Lay, Chair, Robert Radabaugh, and ex officio members James Martin and Lisa McClung, as proxy for Randy Huffman, with Gregory Foster, Counsel to the Commission and Cindy Raines, Staff, was duly and properly

convened, upon proper written and public notice before a quorum of the Commission. Notice was also published in a newspaper of general circulation in the county in which the property and units located, all as required by West Virginia Code § 22C-9-5.

2. The proposed unit wells to be drilled are to be completed below the top of the Onondaga formation and therefore are deep wells within the meaning of West Virginia Code § 22C-9-1, and subject to the jurisdiction of the Commission.

3. The Applicant is an operator within the meaning of W. Va. Code § 22C-9-5, and an experienced, qualified operator of horizontal wells and units.

4. The Applicant has filed all the information, documents and supporting exhibits as required by statute and the Rules of the Commission and provided satisfactory and sufficient proof for the Commission to make an informed decision upon the Application and motion for an exception to the spacing requirements of W. Va. C.S.R. § 39-1-4.2, and with respect to the application to form a drilling unit and for the pooling of unleased interests.

5. The unit as configured and requested is reasonable and necessary to prevent waste, protect correlative rights, and will encourage and foster and promote the exploration, development, production and utilization of the oil and gas resources within the target formation, without waste.

6. The unit boundaries and lease lines are at least 400 feet from the proposed laterals.

7. The unit described in the application is for a deep well unit of 487.85 acres with respect to those depths and formations lying from 100 feet above the top of the Utica formation to 100 feet below the top of the Trent Limestone, for the drilling of the horizontal wells applied for, with the primary target of the Utica formation.

7. The Commission finds that the pooling of the unleased interests is necessary to prevent waste and to promote the efficient development of the oil and gas resources and that the

Commission can Order the terms of the compensation and royalties for the unleased interests, to the extent such are subject to the jurisdiction of the Commission, to protect the interests of the unleased interests as required by law.

8. The Commission finds that the Application, as amended, and without objection from any entities or individuals with proper standing to object, is proper in all respects and upon motion the Application and the exception were unanimously approved.

CONCLUSIONS OF LAW

1. W. Va. C.S.R. § 39-1-4.2 requires that all deep wells drilled shall be not less than 3,000 feet from a permitted deep well location, and that W. Va. C.S.R. § 39-1-4.3 allows for an exception to that requirement upon notice and hearing.

2. That due notice of time, place and purpose of the hearing has been given in all respects as required by law.

3. Pursuant to Chapter 22C, Article 9 of the West Virginia Code, as amended, the Commission has jurisdiction over the subject matter embraced in the said notice, and the persons interested therein, and jurisdiction to promulgate the hereinafter prescribed Order, and that a quorum of the Commission was present at the hearing.

4. In order to grant the well work permit for the proposed Erlewine 12HU, 14HU and 16HU wells, a spacing variance is required pursuant to W. Va. C.S.R. § 39-1-4.3.

5. The Erlewine 12HU, 14HU and 16HU are within 3,000 feet of each other and it is necessary to promote the efficient development of the oil and gas resource, prevent waste, and encourage the maximum recovery of the oil and gas reserves in that reserve to grant the application and exception. The Applicant has presented sufficient evidence that it should be authorized and granted the right to drill, complete and operate the Erlewine 12HU, 14HU and 16HU wells, as proposed, with an exception granted to the spacing requirements so that laterals may be closer than 3,000 feet in distance.

6. The Applicant has presented sufficient evidence that it should be appointed as Operator and authorized and granted the right to pool the unleased interests in order to prevent waste and such will promote the efficient development of the oil and gas resource, prevent waste, protect correlative rights and encourage the maximum recovery of the oil and gas reserves. The unit shall include the pooling of the unleased interests and/or interests of all oil and gas owners and operators in the unit.

7. With respect to those interests for missing, unknown and unlocatable mineral owners the terms of any lease that may be approved is subject to the exclusive jurisdiction of the Circuit Court of Wetzel County pursuant to W. Va. Code § 55-12A-1 et seq.

8. With respect to the unleased interests that are hereby pooled, the Commission concludes it has sufficient information and evidence regarding the terms of comparable leases in the area that it can determine the lease terms that should be required for the pooling of the unleased interests that are subject to the jurisdiction of the Commission, as hereafter ordered.

ORDER

Upon presentation and consideration of the evidence before the Commission on July 24, 2015, and based upon the Findings of Fact and Conclusions of Law contained herein, the Commission hereby grants the exception and variance to the requirements of W. Va. C.S.R. § 39-1-4.2, with respect to the Erlewine 12HU, 14HU and 16HU wells, and permits the Applicant to drill the Erlewine 12HU, 14HU and 16HU withing 3,000 feet of each other. Within 90 days of completion of each well the Applicant is directed to provide well records and drilling logs to the West Virginia Department of Environmental Protection, Oil and Gas Conservation Commission. For purposes of this Order, the completion of each well is the date at which all stimulation activities have been completed and the flow back work on the well has commenced.

The Commission also grants the Application, as amended, for the formation of a 487.85 acre drilling unit as proposed, for the appointment of the Applicant as the Operator of the Unit

wells, and for the pooling of the unleased interests. For those interests that may elect to participate in the wells, if the parties are unable to negotiate a mutually acceptable JOA, the Commission shall hear and establish the terms of the JOA. With respect to the pooling of the unleased interests in the unit, as reflected in Amended Exhibit E, any unleased interest that is not subject to exclusive jurisdiction and authority of the Circuit Court of Wetzel County to set the lease terms with respect to the missing, unknown or unlocatable heirs, the acreage bonus shall be \$5,000 per acre, with a 19.00% royalty rate, and without any deductions allowed for the post production costs incurred. All operations, including but not limited to the commencement, drilling or operation of the wells, upon any portion of a drilling unit shall be deemed for all purposes the conduct of such operations on each separately owned tract in the unit. All reasonable costs and expenses of drilling, completing, equipping, operating, plugging and abandoning shall be borne, and all production therefrom shared, by all owners of operating interests in proportion to the net oil or gas acreage in the pooled tracts owned or under lease to each owner. In the event that any of the owners of interests that cannot mutually agree with the Applicant on the terms of a JOA or disputes the costs incurred, then pursuant to W. Va. Code § 22C-9-7(b)(8), the matter shall be heard and decided by the Commission.

Accordingly, with respect to the request for pooling of unleased interest, the Commission finds that all of the requirements as set forth in W. Va. Code §22C-9-7(b) and the Rules of the Commission have been satisfied and that it is proper in all respects to grant the request for pooling, there being no objections entered of record by anyone having standing to object. With respect to the protest letter filed, Exhibit 5, the Commission finds and concludes that the issues set forth in the letter constitute a private contractual dispute between the parties that is not subject to the jurisdiction of the Commission and that the objections stated do not constitute a legitimate basis under the applicable statute and Rules to deny the spacing and pooling request by the Applicant. The protest and objections are therefore denied and dismissed.

All revenues derived from production attributable to the interest of the unleased interests in excess of operating costs shall be placed in an escrow account that is not affiliated with or controlled by the Applicant, and it shall be an interest bearing account in the name of the unleased mineral owner or operator and Stone Energy Corporation jointly, and no funds may be distributed from such account without the written approval of the Commission.

IT IS SO ORDERED.

Entered this 23 day of October, 2015.

OIL AND GAS CONSERVATION COMMISSION

By:

Barry Lay
Barry Lay, Chairman

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

IN THE MATTER OF THE APPLICATION
BY STONE ENERGY CORPORATION FOR AN
ORDER FROM THE COMMISSION FOR AN
EXCEPTION TO THE SPACING REQUIREMENTS
AND TO ESTABLISH A 487.85 ACRE
DRILLING UNIT AND POOLING OF UNLEASED
TRACTS AND INTERESTS OF OIL AND GAS
OWNERS AND OPERATORS WHO HAVE NOT
ENTERED INTO VOLUNTARY AGREEMENTS
ALLOWING FOR THE DEVELOPMENT AND
OPERATION OF THE UNIT, SAID UNIT TO
BE LOCATED IN PROCTOR DISTRICT, WETZEL
COUNTY, WEST VIRGINIA.

DOCKET NO. 233
CAUSE NO. 223

Transcript of proceedings had on the 24th day of
July, 2015, at 1:05 p.m., at the Department of
Environmental Protection located at 601 57th Street,
Southeast, Charleston, West Virginia, pursuant to notice.

BEFORE: Barry K. Lay, Chairman
Robert Radabaugh, Commissioner
James Martin, Commissioner
Lisa McClung, Commissioner

Greg Foster, Assistant Attorney General

Cindy Raines, Staff

BONNIE K. WOLFE
Certified Court Reporter
1211 Ellen Drive
South Charleston, West Virginia 25303
(304) 744-4318

APPEARANCES:

ON BEHALF OF APPLICANT, STONE ENERGY:

Timothy Miller, Esquire
 Babst Calland
 300 Summers Street, Suite 100
 Charleston, West Virginia 25301

INDEXAPPLICANT'S WITNESSESDIRECTEXAMINATION

Roger L. Cutright

9
 54

Diana M. Corwin

36

47 (Martin)
 48 (Radabaugh)
 48 (Lay)

EXHIBITSIDENTIFIEDRECEIVED

Nos. 1-5

4

4

No. 6

5

8

No. 7

7

8

No. 8

8

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No. 9

23

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No. 10

24

35

No. 11

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36

Reporter's Certificate

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1 CHAIRMAN LAY: Before the Oil and Gas
2 Conservation Commission of the State of West Virginia in
3 the matter of the application by Stone Energy Corporation
4 for an Order from the Commission for an exception to the
5 spacing requirements and to establish a 487.85 acre
6 drilling unit and pooling of unleased tracts and interests
7 of oil and gas owners and operators who have not entered
8 into voluntary agreements allowing for the development and
9 operation of the unit, said unit to be located in Proctor
10 District, Wetzel County, West Virginia.

11 This is Docket No. 233, Cause No. 223. I'd
12 like the record to reflect that members of the Commission
13 present are Lisa McClung, James Martin, Robert Radabaugh
14 and Barry Lay; Greg Foster, counsel; and Cindy Raines as
15 staff.

16 I would like to place of record as Exhibit
17 1 a copy of the Notice of Hearing and return receipt
18 cards; as Exhibit 2, copy of the Class II legal ad and
19 confirmation. Exhibit 3 is a copy of the application for
20 pooling and spacing; Exhibit 4, copies of the Application
21 for the Earlewine 12HU, 14HU and 16HU. And finally,
22 Exhibit 5 is a copy of a letter of objection from B&R
23 Holdings, Inc., dated July 23, yesterday, received today
24 at 8:43 a.m.

1 (WHEREUPON, said documents were
2 identified as Exhibits Nos. 1-5 and
3 were received in evidence.)

4 CHAIRMAN LAY: At this time, the Commission will
5 take appearances.

6 MR. MILLER: My name is Timothy Miller with the
7 firm of Babst Calland here in Charleston, West Virginia,
8 representing Stone Energy. I have with me today two
9 witnesses. I'd ask they introduce themselves to the
10 Commission.

11 MR. CUTRIGHT: Roger Cutright. I am the Land
12 Manager and Special Counsel for Stone Energy.

13 MS. CORWIN: Diane Marcotte Corwin. I'm the
14 Operations Manager for Stone Energy.

15 MR. MILLER: If no one else is to make an
16 appearance, I have a few preliminary housekeeping matters
17 again today that I could take up at this time.

18 CHAIRMAN LAY: Okay.

19 MR. MILLER: One is-- I do have again, if you
20 want, courtesy copies of the Application. I have extras
21 here. If you would like those, I would be glad to tender
22 those.

23 CHAIRMAN LAY: Unless there's an amendment--
24 I'm sure there may be some that would like them. Go ahead

1 and pass them out.

2 MR. MILLER: Very good. That said, I do have an
3 Amended and Supplemental Application I would like to
4 tender as Exhibit No. 6, and I'll tender one to the court
5 reporter to mark as Exhibit 6.

6 (WHEREUPON, said document was
7 identified as Exhibit No. 6.)

8 MR. MILLER: Mr. Chairman, the purpose of the
9 Amended Supplemental Application is to amend paragraph
10 eleven to reflect, since the time of filing, we have
11 obtained some leases from some people who previously had
12 unleased interests that we were seeking to pool. I will
13 tender to you in a minute an Amended Exhibit E that lists
14 those individuals.

15 CHAIRMAN LAY: Okay. I don't quite understand
16 exactly. Of the 487.85 acres in the proposed unit, you
17 now have 4.47 acres that are unleased and owned by those
18 identified in Exhibit E.

19 MR. MILLER: Correct.

20 CHAIRMAN LAY: So you have ninety-nine percent
21 of the unit leased. Is that correct?

22 MR. MILLER: We show the outstanding interest at
23 .92 percent, less than one percent. We want to just
24 correct that on the Application.

1 MR. MILLER: I also have-- So you can get the
2 detail on how that change has occurred, I would like to
3 mark as Exhibit 7--

4 CHAIRMAN LAY: And your attached Exhibit E
5 breaks out the ownership of that 4.-some acres?

6 MR. MILLER: Correct. And so I have that marked
7 as Exhibit 7.

8 MR. MILLER: So I have that marked as Exhibit 7.
9 Then if I could, Exhibit 8 is the actual memos of lease
10 from those additional two individuals who have signed
11 leases since the date of the initial application.

12 CHAIRMAN LAY: Okay. Let's see the next
13 exhibit.

14 MR. MILLER: No. 7?

15 CHAIRMAN LAY: No. 7. Now, is this different
16 from the one attached to Exhibit 6? The numbers are
17 different.

18 MR. RADABAUGH: The numbers are different for
19 some reason.

20 CHAIRMAN LAY: The one attached to Exhibit 6
21 shows that you only have a .95 percent outstanding
22 interest.

23 MR. MILLER: That was a change we made this
24 morning. My apologies. The one I just marked as Exhibit

1 No. 7 is the correct version with the correct breakdown.

2 CHAIRMAN LAY: Okay. So this one-- Okay. In
3 order to prevent confusion, can we remove Exhibit E--

4 MR. MILLER: Yes.

5 CHAIRMAN LAY: --from Exhibit 6 and attach what
6 you're purporting to be Exhibit--

7 MR. MILLER: Yes.

8 CHAIRMAN LAY: --to replace it?

9 MR. MILLER: That would be appreciated. Yes.

10 CHAIRMAN LAY: Why don't we do that so that we
11 don't get confused trying to reconstruct. Is this all
12 your exhibits?

13 MR. MILLER: I have one more. Then what will be
14 Exhibit 7 are copies of the Memorandum of Lease of the two
15 interests that have since been acquired. That's Cynthia
16 Smith and Kelly Dalton. Mark that as 7.

17 (WHEREUPON, said document was
18 identified as Exhibit No. 7.)

19 CHAIRMAN LAY: Okay.

20 MR. MILLER: I would propose marking as Exhibit
21 8 a letter dated July 22, 2015, from SWN Production
22 Company to Mr. Roger Cutright documenting a trade
23 agreement as to certain leases in interest. It's been
24 entered into and signed by both representatives of SWN and

1 Stone Energy.

2 CHAIRMAN LAY: Okay.

3 (WHEREUPON, said document was
4 identified as Exhibit No. 8.)

5 CHAIRMAN LAY: Okay. So let me make sure that
6 I've got Exhibit 6 and what was going to be 7 as replacing
7 Exhibit E at the back and, therefore, Exhibit 6.

8 Exhibit 7 is a copy of the Memorandum of
9 Leases for two additional interests.

10 And Exhibit 8 is the copy of the letter
11 from SWN Production -- or actually, a letter of agreement.
12 Any objections to the admission of the exhibits? Okay.
13 We'll admit them.

14 MR. MILLER: Thank you.

15 (WHEREUPON, the documents previously
16 identified as Exhibits 6-8 were received
17 in evidence.)

18 MR. MILLER: I may have a few additional
19 exhibits I was going to use during the testimony of the
20 witnesses, Mr. Chairman.

21 CHAIRMAN LAY: That's fine. You want to call
22 your first witness?

23 MR. MILLER: I will.

24 CHAIRMAN LAY: Or have you finished all your

1 housekeeping?

2 MR. MILLER: I have. Call Mr. Roger Cutright.

3 CHAIRMAN LAY: Court reporter please swear the
4 witness?

5 (Witness sworn.)

6 THEREUPON came

7 ROGER L. CUTRIGHT

8 called as a witness for the Applicant herein, being first
9 duly sworn according to law, testified as follows:

10 DIRECT EXAMINATION

11 BY MR. MILLER:

12 Q Mr. Cutright, would you please identify who
13 you're employed with and what position you hold?

14 A Yes. My name is Roger Lee Cutright. I am
15 employed by Stone Energy Corporation. I am the Land
16 Manager and Special Counsel. I have been in that position
17 for approximately three and a half years.

18 Q And would you please summarize your prior
19 educational background, legal experience and mineral
20 industry experience?

21 A I've been a practicing attorney for
22 approximately twenty years with the majority of that time
23 being in the mineral industry.

24 Prior to that point, I had approximately

1 fifteen years in the mineral industry and the coal
2 industry. The majority of my experience during my legal
3 practice has been in oil and gas and, in particular,
4 transactional and title matters.

5 Q You are the individual who signed and submitted
6 the Application and Amended Applications for the spacing
7 exception and pooling that's before the Commission. Is
8 that correct?

9 A That's correct.

10 Q So those documents were prepared under your
11 supervision and submitted under your signature. Is that
12 correct?

13 A That's correct.

14 Q We're here today on three wells, the Erlewine
15 12HU, 14HU and 16HU. And you are asking the Commission to
16 grant what relief?

17 A We're looking for an exception to the spacing
18 rule and, also, to order us to force pool a very small
19 amount of the interest in the unit.

20 Q The Erlewine pad, is that a pad that's already
21 been constructed in existence?

22 A Yes. It's been in existence for a year and a
23 half.

24 Q All right. And are there wells already on the

1 pad or been drilled on the pad?

2 A There are nine Marcellus wells drilled. The
3 laterals are actually drilled. They are not completed.

4 Q So your proposal today for the three wells we're
5 talking about are to be located on the same pad that's
6 already been under permit and has nine wells existing on
7 it. Correct?

8 A That's correct.

9 Q And will the same road access be used to access
10 the pad if the Commission grants its exceptions?

11 A Yes.

12 Q So basically, will the same infrastructure be in
13 place and be used should the Commission grant the
14 exception?

15 A Generally, all the same infrastructure would be
16 used.

17 Q Between the three wells, the 12HU, 14 and 16,
18 based on your company's investigation and survey in
19 connection with the application, did you determine whether
20 there are any deep wells, that is, wells below the top of
21 the Onondaga and formation that are within three thousand
22 feet of the proposed locations of either of the three
23 wells?

24 A The only well that would be within three

1 thousand feet would be our Pribble Utica well.

2 Q And that's the Pribble 6H we spoke about
3 yesterday?

4 A Yes.

5 Q Do you know the approximately distance from your
6 pad to the Pribble pad?

7 A I believe it's-- I don't know the exact. I
8 believe it's something slightly over a mile, if I recall.

9 Q So Pribble's approximately one mile from top of
10 hole location to the Erlewine location. Is that correct?

11 A I believe that to be so.

12 Q And there's no wells that you're aware of, deep
13 wells, that are within three thousand feet of the proposed
14 Erlewine deep wells?

15 A Not to my knowledge. The Utica well that I
16 mentioned.

17 Q But that's more than three thousand feet away.

18 A The Pribble Utica is within-- Oh, three
19 thousand.

20 Q Yes.

21 A I apologize. That is not within three thousand
22 feet.

23 Q So it's great--

24 A I apologize. I mis-heard the question.

1 Q All right. You believe it's approximately at
2 least a mile away from the Erlewine location?

3 A That's correct.

4 Q All right. Did you have title examinations
5 conducted by attorneys to determine all the mineral
6 interest owners who are in the proposed unit?

7 A I did.

8 Q And those that could be considered offset or
9 surrounding it as well?

10 A That's correct.

11 Q Did you include all the names of those
12 individuals' leased and unleased interests all within the
13 unit in the Application that's been submitted to the
14 Commission?

15 A Both individuals and entities.

16 Q Now, on the Amended Exhibit E, which is part of
17 Exhibit No. 6-- The court reporter has the-- You have a
18 copy of it, don't you, there -- same thing?

19 A I do.

20 Q Okay. The copy you're looking at is the same as
21 the one that's been identified as Exhibit No. 6.

22 A Yes.

23 Q All right. Can you please, if you could, go
24 down through these interests and tell the Commission the

1 steps that were taken to try and locate these individuals
2 and obtain leases from them?

3 A There's thirteen entries on the unleased owners'
4 section that are spread across two different tracts. What
5 I refer to as Tract 12-12-14 has six entries. This is a
6 twenty-acre tract of which all of those acres are inside
7 of the unit.

8 From our research, we cannot determine the
9 last known address of any of these particular owners.
10 They would qualify for an unknown owners action. We have
11 put into place or started the process of filing an unknown
12 owners action on Tract 12-12-14. It has not been filed as
13 yet, but it will be filed in the immediate future.

14 Q It's my understanding that in connection with
15 this Application to the Commission your understanding
16 would be that the-- We would that, if our motions were
17 granted, it would be subject to your completing the
18 process with respect to the unknown and missing heirs by
19 filing appropriate action in the Circuit Court of Wetzel
20 County?

21 A That's correct.

22 Q Now, the next tract you're calling 12-12-2--

23 A Within that group of individuals, which that's
24 an 07, one of those individuals presently has an unknown

1 and unlocate-able address. We would commence an action on
2 12-12-2 for that particular interest under the unknown
3 owners action statute, also.

4 Q And that's Leona Bower?

5 A Yes, sir. With regard to the other six
6 individuals-- I might need to refer to my notes just a
7 second.

8 Q Two of them, Cynthia Smith and Kelly Dalton, are
9 the ones that have recently been leased. The leases were
10 submitted into the record. Is that correct?

11 A That's correct.

12 Q Okay.

13 A And Carolyn Shinn Heirs is an interest that we
14 have a belief that she has passed away a couple of years
15 ago. We have been able to make contact with what we
16 believe to be a sibling, but we did not get return
17 response.

18 We attempted a number of times to contact
19 them at this address at the sibling's phone number. We
20 have not been in a position to submit an actual packet or
21 an offer to them just because of their non-response.

22 Q All right. Then with respect to Kristin Shahren
23 and Meredith Smith, Jr. and Bryan Hoskins, if you could,
24 explain efforts you've made to try and contact and obtain

1 the lease interests from them.

2 A Mr. Hoskins did receive a packet. It's our good
3 faith belief that we probably would have obtained a lease
4 from that. But we have evidence to believe that he passed
5 away. We have been unable to continue the closing of that
6 transaction. So he has had a packet submitted to him.

7 Meredith Smith and Kristin Shahan, they've
8 also received packets. We've contacted them by phone.
9 They've been somewhat respon-- Well, no. They've been
10 unresponsive. So we have made very reasonable efforts to
11 obtain a lease on these little interests from them.

12 Q And again, the Amended Exhibit shows that you
13 have the outstanding net acres for the missing and unknown
14 or the non-resonsive or unresponsive, 4.471716 net acres.
15 Correct?

16 A That's correct. Of that amount, the tract
17 12-2-2 is less than one and a half acres. The unknown
18 owners action on 12-12-14 will be a three-acre net
19 interest on that tract.

20 CHAIRMAN LAY: Repeat that again. I didn't
21 quite follow what you were saying.

22 THE WITNESS: On Tract 12-12-2, the missing or
23 unleased interest is 1.47 net acres out of the tract.

24 CHAIRMAN LAY: Oh, okay. Net acres. So it's a

1 21.7 acre tract, but if you calculate it on its undivided
2 interest, then the net of that is the 1.47 acres? Is that
3 what you're saying?

4 THE WITNESS: That's correct.

5 CHAIRMAN LAY: Okay.

6 THE WITNESS: And then for Tract 12-12-14, three
7 of the twenty acres are unleased, and they are all in that
8 unknown mineral owners action.

9 CHAIRMAN LAY: Again, three net acres of the
10 twenty?

11 THE WITNESS: Three net acres of the twenty.

12 CHAIRMAN LAY: Okay.

13 BY MR. MILLER:

14 Q Let's go back. We had talked yesterday, but
15 again putting on the record today, there is a letter
16 agreement that we've marked, I believe, with SWN as an
17 Exhibit No. 8. Can you again please explain the reason
18 for that letter agreement?

19 A We have a pending trade agreement with-- I call
20 it Southwestern. It's SWN Production, LLC. And we have
21 agreed to put of record, both in terms of the letter and
22 me stating on the record that we would not proceed with
23 any other development of these properties or the lease or
24 the permit until we conclude the trade agreement, which we

1 would expect to do in the several weeks ahead.

2 CHAIRMAN LAY: So your agreement is that you
3 won't proceed to develop until that's resolved?

4 THE WITNESS: Until we get the trade agreement.
5 The net effect of that would be-- The permit would not be
6 issued to us until we had the trade agreement to provide
7 to the permitting reviewer.

8 CHAIRMAN LAY: Okay.

9 BY MR. MILLER:

10 Q And as I understand it, actually per the letter
11 agreement, it's either entering into a trade agreement or
12 they agreed to enter into or participate in the well under
13 a model form joint operating agreement.

14 A That's correct. There are one or two options,
15 but the current plan is to do an exchange of papers.

16 Q Again in the initial application package there
17 was a surface owner consent. Do I understand you do in
18 fact have the surface owner's consent for the drill pad
19 location?

20 A That's correct.

21 Q And the proposed unit size is 487.85 acres.
22 Correct?

23 A That's correct.

24 Q Based on the proposed unit size and

1 configuration and the laterals that have been laid out and
2 the plats that have been submitted in the application, is
3 the top hole location, the vertical section of the well,
4 the heel or landing point, the entire later and then the
5 bottom hole of the well, all of those, sections of the
6 well for each of the three wells at issue here, will they
7 all be at least four hundred feet from the unit and lease
8 boundaries?

9 A That's correct.

10 Q And on the plat yesterday, we noted-- Mr.
11 Radabaugh pointed out that the green line showed the unit
12 line. The four hundred foot boundary's also the unit
13 boundary as well. Is that correct?

14 A That is correct.

15 Q I want to address, first, the spacing exception
16 request, Mr. Cutright. From a land management standpoint,
17 I would like, if you could, just to walk through the
18 reasons you believe an exception to the three thousand
19 foot spacing requirement is appropriate.

20 A From just the land perspective, it allows for
21 dramatic reduction of the surface disturbance that would
22 be necessary for drilling multiple pads. Just the one
23 spacing exception, we can put more wells on a single pad
24 and not have to do multiple pads, reduce the number of

1 roads, general surface disturbance, not to mention the
2 traffic across other roads that would be increased.

3 Q From a land standpoint, do you believe that the
4 spacing exception, the unit size and the configuration
5 proposed would promote the most efficient development of
6 the oil and gas from the target formation within this
7 unit?

8 A I do.

9 Q All right. And as far as you're concerned, do
10 you think it would prevent waste?

11 A I do.

12 Q Let me, if I can, turn then to the pooling
13 issues, request for pooling and the individuals we've
14 identified on Exhibit E. We've touched on that a little
15 bit.

16 In the event the Commission was willing to
17 grant the request for pooling of interest, were those
18 interests who have been non-responsive? In other words, I
19 think we're talking only about those individuals currently
20 unleased on your tract 12-12-2.

21 Are those people who-- You've been in
22 contact. You believe they are alive, in existence. You
23 just haven't been able to obtain any response to your
24 proposals to them. Is that correct?

1 A That's correct for several. One of the
2 individuals, I have a reason to believe they passed. But
3 they did have a packet.

4 Q Okay. Mr. Hoskins has since passed away.

5 A And Mrs. Shinn. We're speaking with-- There's
6 actually two interests on 12-12-2 that Mrs. Shinn and
7 Brian Hoskins, we're going to be dealing with the heirs or
8 successors to.

9 Q At this point, you have not been able to get any
10 response or contact from or determine the heirs for those
11 two?

12 A That's correct.

13 Q In the event that the Commission would grant a
14 request and these individuals somehow would be offered an
15 option, so-to-speak, to participate or not according to
16 the statute, what form joint operating agreement would you
17 propose should they choose to participate?

18 A We will use-- Subject to approval, we would use
19 the standard AAPL Form 610, 1989, with its new horizontal
20 modifications. It's a new form that has not been
21 previously used, but it helps address JOA's that are for
22 horizontal wells.

23 Q And that was with a new copyright date of 2013.
24 Is that correct? Is that the version you're referring to?

1 A That would be my understanding.

2 Q Stone is prepared then to offer to any one
3 individual who wanted to participate all the terms
4 contained in that JOA with the slight modification,
5 identify the specific property and wells we're talking
6 about. Is that correct?

7 A That's correct.

8 Q And in connection with the interest of those
9 individuals who are unknown or missing heirs, the
10 Commission would need to file an action -- missing and
11 unknown heirs' action in the Circuit Court of Wetzel
12 County.

13 Has Stone in recent past had occasion to
14 file similar-type actions in Wetzel County, West Virginia?

15 A We have filed on the order of three dozen
16 missing or unknown owners' actions around Wetzel County.

17 Q All right. And have a number of those proceeded
18 to the point where the Court appointed special
19 commissioners in order to take evidence on what they
20 considered the be the fair market value for signing
21 bonuses, royalties and other terms of the leases?

22 A There have been numerous that have been subject
23 to order and special commissioner releases.

24 Q I'm going to show you one that I would ask the

1 court reporter to mark as Exhibit 9. Exhibit 9, if you'll
2 notice, Mr. Cutright, is comprised of the first several
3 pages of an Order from the Circuit Court of Wetzel County,
4 Judge David W. Hummel, Jr.

5 A Yes, sir.

6 (WHEREUPON, said document was
7 identified as Exhibit No. 9.)

8 BY MR. MILLER:

9 Q An Order was entered July 16, 2014, as reflected
10 on the third page. Correct?

11 A Yes, sir.

12 Q And was this an Order to confirm the sales of
13 the leases pursuant to a missing and unknown heirs' action
14 that Stone Energy instituted?

15 A It is.

16 Q And did the Court in that proceeding appoint a
17 special commissioner to take evidence and determine what
18 would be the fair and reasonable terms of market value for
19 an oil and gas release for the unknown and missing
20 interests?

21 A He assisted with it. He also would have had, I
22 guess, the services of the Guardian Ad Litem that was
23 appointed to help determine those numbers.

24 Q And in connection with that, there's also

1 attached a lease, to the eight and a half by fourteen
2 pages on that exhibit. It contains the lease form that
3 was approved by the Court and Special Commissioner, David
4 White?

5 A That's correct.

6 Q And could you please tell the Commission what
7 the Special Commissioner and the Court ultimately approved
8 as the appropriate signing bonus, if you will, for this
9 lease?

10 A The essential or most material pre-terms -- that
11 we consider some of the most material within the signing
12 bonus was thirty-five hundred dollars a net acre, an 18.75
13 royalty rate and no post-production expenses. That lease
14 was signed July of 2014.

15 MR. MILLER: I'd like to next have the court
16 reporter mark as Exhibit No. 10 a similar document
17 containing an Order from the Circuit Court of Wetzel
18 County with a lease that's approved by the Court.

19 (WHEREUPON, said document was

20 identified as Exhibit No. 10.)

21 BY MR. MILLER:

22 Q And Mr. Cutright, this is for the interests of
23 several individuals beginning with the individual, Emma
24 Schupbach, S-c-h-u-p-b-a-c-h, for an action filed in the

1 Circuit Court of Wetzel County, Civil Action No. 13-C-32.
2 Correct?

3 A That's correct.

4 Q And again, was this an ordered entered by Judge
5 Jeffrey Cramer after he had appointed a Special
6 Commissioner to take evidence and a Guardian Ad Litem for
7 the interests of the missing and unknown heirs?

8 A Yes. It is.

9 Q And in this case, this Order was entered-- I
10 believe in page four of the exhibit, this Order was
11 entered July 17 of this year, 2015. Is that correct?

12 A That's correct.

13 Q And in this case, what did Judge Cramer in
14 Wetzel County determine was the fair and appropriate
15 materials terms of the oil and gas lease?

16 A Delay rental payments, forty-five hundred
17 dollars per net acre. And the royalty rate would have
18 been 18.75 and no post-production expenses.

19 Q Are you-- For purposes of the motions pending
20 before their application pending before the Commission,
21 today would Stone be prepared to enter into an offer,
22 leases to this missing and unknown heirs on the same or
23 similar terms, at least whatever the Court determines is
24 the fair and reasonable terms for obtaining a release from

1 the Court?

2 A We would. We feel this is a proper third-party
3 review for this general area. The lease on Paul Miller,
4 Exhibit 9, that was a lease taken on the pad site of the
5 Erlewine unit a year ago.

6 The more current lease, the Court has
7 obviously determined that the market rate is a little
8 higher. So it went from thirty-five to forty-five. So we
9 now consider forty-five to be the current market rate for
10 relatively small amounts of interest for unknown owners'
11 actions.

12 Q So Exhibit 9 that was submitted, in that
13 proceeding, the well was actually the same, the Erlewine
14 well pad that we're talking about today, but it was for
15 Marcellus wells. Is that correct?

16 A That's correct.

17 Q But since that time, at least in the one year
18 since Judge Hummel, now Judge Cramer, determined that the
19 rate had gone from thirty-five hundred to forty-five
20 hundred dollars. Correct?

21 A That's correct.

22 Q That was a decision just as of one week ago
23 today. Correct?

24 A That's correct.

1 Q In connection with-- I had mentioned a model
2 form JOA. In connection with your proposed--

3 Or if the Commission would approve in the
4 process and require some escrowing of money and otherwise
5 trying to protect the interests of non-responsive
6 individuals, under the JOA you're proposing, is it's
7 Stone's intention that, with respect to operating fees,
8 you'd be charging some set fee? Or would it based on
9 actual expenses incurred?

10 A It would be actual expenses.

11 Q Okay. And you're willing to commit that would
12 be the terms you would be agreeable to?

13 A Yes.

14 Q Except for the payment of operating expenses
15 with Stone proposing and agreeable to putting in escrow
16 all proceeds from production applicable to the unleased
17 interest, the non-responses in escrow under the terms may
18 be dictated by the Commission until such time as these
19 matters can be resolved either by Order of the Commission
20 or through a missing and unknown heirs' action in Wetzel
21 County?

22 A Yes, sir.

23 Q It's my understanding you would like Stone to be
24 appointed as the operator of the unit. Is that correct?

1 A That's correct.

2 Q Does Stone have experience as an operator with
3 respect to horizontal wells in Wetzel County?

4 A Yes, sir. We have approximately -- well in
5 excess of a hundred horizontal wells within several miles
6 of this location.

7 Q It's my understanding you're asking the
8 Commission to approve the application and operation to
9 proceed with drilling and completing production subject to
10 the escrow, a fund and the other terms and conditions that
11 may be imposed by the Commission?

12 A That's correct.

13 Q And is it your understanding under the state,
14 West Virginia Code 22C-9-7(b)(7) that, if there is a
15 dispute about the JOA, your understanding is the
16 Commission would still retain jurisdiction to resolve any
17 disputes if there was any dispute about the terms of
18 costs, et cetera, as undertaken pursuant to the terms of
19 the model form JOA?

20 A That is my understanding.

21 MR. MILLER: I don't believe I have any further
22 questions from this witness, Mr. Chairman.

23 COMMISSIONER LAY: Okay. Questions from members
24 of the Commission?

EXAMINATION

BY COMMISSIONER MARTIN:

Q I do have one question, Mr. Chairman. Mr. Cutright, I think, mentioned that there's nine wells on the pad now, Marcellus wells?

A Yes, sir.

Q On the pad. But none of those are completed?

A Yes. They have not been fractured and completed.

Q Is there a reason for that?

A I would probably defer to Mrs. Corwin. I think there is, but--

COMMISSIONER MARTIN: Thank you.

COMMISSIONER RADABAUGH: Nothing at a moment.

EXAMINATION

BY CHAIRMAN LAY:

Q I've got a few. First of all, the valuations placed by the Circuit Court in Wetzel County, those were all for unknown or unlocate-able interests?

A That is correct.

Q Okay. Within the area of Wetzel County?

A That is correct.

Q Were they for-- Were those cases brought for Marcellus development?

1 A That is correct.

2 Q Okay. What are the most favorable terms that
3 Stone has entered into a negotiated agreement with a third
4 party in the Wetzel County area? And I'm talking about
5 the three terms we've discussed, the rental bonus -- or
6 the lease bonus, the net revenue interest for the royalty
7 and post-production cost assessments.

8 A I'm going to say I don't know for certain, so
9 I'm going to speculate and do it from memory. I would
10 suspect we have at least a few royalty rates at nineteen
11 percent.

12 If you go in the general area of south
13 Marshall County, which is not that far from this, we would
14 have some transactions at five thousand dollars a net
15 acre. There were certain circumstances that would have
16 dictated larger amounts per acre and larger royalty based
17 on a particular transaction.

18 So there were-- I could give you an exact
19 answer, but it would take me a little bit of research to
20 go through our entire database of about four thousand
21 leases. There are at least a few that would have more
22 favorable terms than what the Court's determined.

23 Q More favorable terms than what you just told me?

24 A More favorable than the forty-five hundred an

1 acre and 18.75.

2 Q I understand. But again, that didn't answer my
3 question. You have said from your memory you recall
4 entering into nineteen percent royalty provisions in a
5 lease, and you recall entering into five thousand dollars
6 per acre in a lease bonus.

7 A That's correct.

8 Q Now, are you telling me that there are other
9 provisions that are more favorable than that?

10 A What I'm saying is there could be. I'm not
11 getting a clear recollection as I sit here. I do have a
12 recollection of transactions we did for that south
13 Marshall County area of five thousand dollars per net
14 acre.

15 I do seem to recall a nineteen percent
16 royalty rate. It was in a special circumstance. And
17 another thing that would drive the per-acre is: any time
18 that we--

19 As a big, general rule, any time that we go
20 to negotiate a lease, we look at what is the net effect on
21 an entire projected unit. And if it's a relatively small
22 amount of acreage, giving a little bit larger royalty rate
23 doesn't have an effect, you know, on the average across
24 the unit.

1 If the transaction is for a majority of the
2 unit, the royalty rate could cause the unit to be
3 potentially non-economical. So depending on the size of
4 the acreage, we might negotiate a little higher royalty
5 rate because of the relatively small amount of acres
6 involved in the transaction.

7 Q I completely understand. In order to entice an
8 individual that has one-tenth of an acre, a forty-five
9 hundred dollar and a nineteen percent royalty is not going
10 to be very attractive to him because his portion of the
11 unit is going to be relatively small. That's my point.

12 These are relatively small tracts that you
13 are -- net acre positions that you are negotiating. These
14 individuals, in order to receive some inducement, would
15 and probably should expect to receive a most favored
16 nations provision. That's why I'm asking for that
17 specific--

18 A And we would-- We would be willing certainly in
19 these circumstances to give the most favored nations
20 status. That's the general intent. If these individuals
21 walked in right now and said I would like to negotiate
22 leases and I'd like most favored nations status, we would--
23 -

24 Q Okay.

1 A --readily do that.

2 Q All right. And we may ask for some additional
3 evidence from you to more define your recollection--

4 A Understand.

5 Q --but I will admonish you that in the future I
6 expect to know exactly what you're paying for these type
7 of tracts to individuals in negotiations.

8 A I understand. We did research. This particular
9 unit, the Erlewine unit, its average royalty rate now is
10 just under fifteen and a half percent.

11 Q Okay. You mentioned the terms of a JOA. I
12 would assume that's if any of the parties elect-- Well,
13 it would be in a situation where any of the parties select
14 the participation election under a pooling instance.

15 We didn't get into the specific terms of
16 what your overhead charges and all the other charges that
17 would be involved in that. And I'm not necessarily
18 prepared to do that today.

19 However, we would and will, as part of any
20 order that we issue if we grant this application-- Prior
21 to any signatory or consummation of a JOA, the Commission
22 would like to see those--

23 A Understand.

24 Q --negotiated terms with regard to operating

1 expenses, overhead charges and the like.

2 A Understand.

3 MR. MILLER: We do have Ms. Corwin here to
4 address some of the financial issues associated with the
5 drilling of the well. But at this point, we don't have an
6 actual AFE joint proposal on the specific terms like that.
7 But she can address some of the terms, but I understand
8 what you were going for in the other case.

9 CHAIRMAN LAY: Right. It wouldn't necessarily
10 need to be defined the date of a hearing because at some
11 point, you know -- most of the time, that's not going to
12 be an issue. But if you do have someone that does want to
13 participate, if we grant a force pooling, then I believe
14 the Commission should have an opportunity to look at the
15 terms of those arrangements to protect those parties.

16 MR. MILLER: I think, actually, the statute even
17 gives them a right to a hearing in front of the Commission
18 should they have any questions about the terms of the JOA,
19 if there's any dispute. I think, if there's any dispute,
20 the Commission sets all this.

21 CHAIRMAN LAY: They do. But I'm going one step
22 further. I'm saying that, prior to entering into those
23 arrangements, I want the Commission to agree to those
24 terms.

1 THE WITNESS: Understand.

2 CHAIRMAN LAY: We're to protect the parties that
3 may or may not be as sophisticated as they need to be to
4 understand what the-- I think that's all the questions I
5 have. Oh, no. I did have one other.

6 You mentioned the escrow accounts. One
7 other term that we would insist upon would be that that is
8 kept in a separate account outside of corporate funds,
9 that it is an interest-bearing account in the name of both
10 the party and the company with the Commission's signatory
11 required to release. Okay?

12 That's all the questions I have. Anybody
13 else? The witness may be excused.

14 (Witness excused.)

15 MR. MILLER: Call Ms. Diane Marcotte Corwin.
16 Before I begin with Ms. Corwin, just some housekeeping so
17 I don't forget. I would move the admission of the
18 exhibits we marked in the testimony of Mr. Cutright. I
19 believe those are Exhibits 7, 8, 9 and 10.

20 CHAIRMAN LAY: Any objection to the exhibits?
21 We'll accept them and enter them.

22 (WHEREUPON, the documents previously
23 identified as Exhibits 9 and 10 were
24 received in evidence.)

1 MR. MILLER: Then I would mark as Exhibit No. 11
2 the resume of Ms. Corwin. I did not bring extra copies
3 since we distributed same yesterday.

4 CHAIRMAN LAY: No objection? We'll admit
5 Ms. Corwin's resume.

6 (WHEREUPON, said document was
7 identified as Exhibit No. 11 and
8 was received in evidence.)

9 (Witness sworn.)

10 THEREUPON came

11 DIANE MARCOTTE CORWIN
12 called as a witness for the Applicant herein, being first
13 duly sworn according to law, testified as follows:

14 DIRECT EXAMINATION

15 BY MR. MILLER:

16 Q Ms. Corwin, I take it your resume and experience
17 and qualifications haven't changed any in the last
18 twenty-four hours. Is that correct?

19 A No. It has not changed.

20 Q All right. If you could just for the record,
21 please briefly summarize your experience. Your degree was
22 in petroleum engineering. Is that correct?

23 A Correct.

24 Q And if you could, explain some of your

1 experience in reservoir engineering and operations since
2 that time.

3 A Okay. My current role is Operations Manager for
4 Stone Energy, and my primary function is to oversee the
5 surface well and reservoir performance of the Utica and
6 Marcellus wells that Stone operates out of Wetzel County.
7 We roughly have about a hundred and twenty wells.

8 I started my career thirty-five years ago
9 at Chevron as a Reservoir Engineer, and I've worked in
10 various technical roles in the reservoir engineering
11 production and drilling throughout my career and also
12 supervised reservoir production and engineers, also.

13 Q The one hundred and twenty wells you mentioned,
14 are they all wells that involve horizontal drilling?

15 A Correct.

16 Q And you mentioned yesterday, I believe, and
17 we'll say again today in terms of Stone's experience with
18 drilling a Utica or Physical therapy. Pleasant formation
19 well, you do have one currently in Wetzel County. Is that
20 correct?

21 A Correct.

22 Q That's the Pribble 6H well?

23 A Yes.

24 Q If you could, please, the target formation in

1 connection with Erlewine 12HU, 14HU and 16 HU is which
2 formation?

3 A Physical therapy. Pleasant.

4 Q And is that below the top of the Onondaga
5 formation?

6 A Yes.

7 Q And it's my understanding the application and
8 plats that have been submitted show the proposed unit
9 size, configuration and spacing of each of the proposed
10 wells. Is that correct?

11 A Correct.

12 Q And you've reviewed that information and are
13 familiar with the proposed unit that is being submitted to
14 the Commission today. Is that correct?

15 A Yes. I am.

16 Q If you could, please describe the Physical
17 therapy. Pleasant formation to me in general in terms of
18 depth, thickness and characteristics.

19 A Okay. The Physical therapy. Pleasant is roughly
20 about eleven thousand seven hundred feet to vertical
21 depth. The thickness is about a hundred and twenty-five
22 feet. And the porosity is about seven percent. TLC's are
23 about three percent. And it has about a roughly average
24 of permeability of two nanodarcys.

1 Q The gas that you anticipate producing, do you
2 anticipate this to be wet or dry type of gas?

3 A It's a dry Utica.

4 Q The design, if you will, of the unit in the
5 laterals, what is the proposed spacing between the
6 laterals?

7 A The proposal here is twelve hundred feet of
8 spacing between the laterals, four hundred feet to the
9 unit boundary.

10 Q The effective area of drainage to the laterals,
11 how far out do you think that will be from each lateral?

12 A We're estimating an average of three hundred
13 fifty to four hundred feet effective half-length drainage
14 area from the lateral.

15 Q Then as we mentioned yesterday, your design--
16 What data or information did you use or rely upon for
17 purposes of coming up with your proposed design for the
18 wells?

19 A We're using the Marcellus analogy, but more
20 recently we had the Pribble 6H well that's been on
21 production since the end of last year. So we have eight
22 or nine months of production data that we have a
23 type-curve analysis and have been looking at that
24 information and trying to make estimates.

1 Q And the distance of the top hole location of the
2 Pribble to the Erlewine pad is--

3 A Oh. 1.3 miles.

4 Q In terms of the direction of the laterals off
5 the Pribble, I assume they're going away from the
6 direction of the Erlewine?

7 A Correct.

8 Q What orientation?

9 A The Pribble goes up to the northwest, and the
10 Erlewine is going to go down to the southeast.

11 Q And so they're--

12 A So they're opposite directions there.

13 Q The top hole location for both is about 1.3
14 miles apart, and the lateral sections of the Pribble are
15 going northwest, and the Erlewine direction's going
16 southeast. Correct?

17 A Right. So they get further and further apart.
18 So the closest point would be at the top hole.

19 Q And you also mentioned the Marcellus. Your
20 design in part is based upon your experience and the
21 results you obtained from the Marcellus wells you've
22 drilled in and around the Wetzel County area?

23 A Correct.

24 Q We had a question yesterday-- I'd like you to

1 go ahead and address it again. --as to the extent that
2 you're leaving six hundred foot offset on each lateral, in
3 other words, a total of twelve hundred feet between the
4 two laterals. And you're proposing, you believe,
5 effective drainage area to be three hundred and fifty
6 feet. What about the area in between?

7 A We try to design a unit so that we have the most
8 flexibility so that we realize, once we put these wells on
9 production and get performance information, we'll be, you
10 know, realizing exactly what is the drainage area or like
11 a better estimate when you have enough production history.

12 But we've built in a contingency that, if
13 we see that the sections between the two horizontal
14 branches on each side are not being drained, we can go
15 ahead and do some in-fill drilling at some point.

16 Q And part of this is still a learning process for
17 you and Stone in terms of what might be the appropriate
18 and proper spacing?

19 A Correct. I believe the whole industry's that
20 way. Yes.

21 Q So it may be in the future, if you come back a
22 year or two from now to the Commission, you may have more
23 and better data that may cause you to maybe change the
24 distance or configuration of the space between the

1 laterals?

2 A Yes.

3 Q Based upon your experience in reservoir
4 engineering and operations and the things we've talked
5 about that are on your resume, do you have an opinion as
6 to whether the spacing exception you're requesting is
7 necessary to efficiently produce gas on the proposed unit
8 and prevent waste?

9 A Yes. It is.

10 Q That is your opinion?

11 A That is my opinion.

12 Q In your opinion, is the unit designed to achieve
13 the maximum production capabilities from the unit while
14 not attempting to negatively effect the interest of the
15 owners outside of the unit?

16 A Yes. It is my opinion.

17 Q You are also aware that in this hearing today
18 there's twofold purpose. One is the spacing, and the
19 other part is the pooling of certain interests of unknown
20 and missing heirs as well as non-responsive heirs.

21 Correct?

22 A Correct.

23 Q And it's my understanding you have asked the
24 Commission to appoint Stone as the operator. Is that

1 correct?

2 A Correct.

3 Q All right. Are you aware of any other entity
4 who owns an interest in the unit that you believe would
5 have the financial capability or experience to serve as
6 operator?

7 A I do not.

8 Q Do you believe Stone does have those
9 capabilities?

10 A Yes. I do.

11 Q And again, you're currently operating
12 approximately one hundred and twenty--

13 A Marcellus and Utica wells.

14 Q --Utica wells in West Virginia?

15 A Right.

16 Q Do you operate other wells outside of West
17 Virginia?

18 A Not anymore.

19 Q Now, in connection with the costs, we need to
20 address some of the financial issues for a minute, if we
21 could. In connection to what could be the Joint Operating
22 Agreement, if someone chose to participate, the cost for
23 development of a pad, a road, all the construction for the
24 initial location has already been incurred. Is that

1 right?

2 A Correct.

3 Q Would you anticipate that any of those costs
4 would be attributed to those individuals whose interests
5 may be related solely to the Utica wells you are
6 proposing?

7 A I do not believe. That was already in place.
8 We didn't have any additional costs on the Utica. We'd
9 already built the pad for the Marcellus. There is enough
10 space on that pad to accommodate the Utica.

11 So it's already in place, and the road's
12 already in place. I don't see where we would, you know,
13 allocate any costs for the pad itself.

14 Q So the size of the pad was already designed with
15 the expectation that those three Utica wells could be
16 located on it?

17 A It happened to have enough room. Yes.

18 Q So there won't need to be additional pad size
19 construction?

20 A The only way it would be is if in the future we
21 added like three more wells to there and expanded it.
22 Then we'd have to do that. But right now, it can
23 accommodate three more Utica wells.

24 Q At this point in time, have you actually

1 prepared a detailed AFE for the drilling of the three
2 wells?

3 A We haven't prepared a de-- But we have, you
4 know, an estimate. But we haven't done a detailed one.

5 Q Would you please just tell the Commission your
6 estimate of the projected costs to drill, equip and
7 operate the wells?

8 A Twelve million dollars, drilling, complete
9 costs.

10 Q Per?

11 A Per well.

12 Q Per well. And based on the current economics in
13 place, do you believe-- What will be the internal rate of
14 return you'd be attempting to achieve before you'd
15 undertake the drilling of these wells?

16 A We roughly target between twelve and eighteen
17 percent, is the window of--

18 Q And do you believe you can undertake the
19 operations on these three wells and achieve within the
20 range of your internal rate of return?

21 A Yes.

22 Q Now, there was a question I saw raised in
23 another hearing in an Order by the Commission about-- I
24 believe it was in the Antero case that the Order was

1 issued. There was some language in there about a
2 protective zone, I'll call it-- That's my words. --above
3 and below the target formation that you would prefer that
4 no one else be allowed to penetrate in connection with the
5 particular pool within proximity to your wells. Is that
6 correct?

7 A Correct.

8 Q What would you request?

9 A A hundred feet above the top of the Utica to a
10 hundred feet below the top of the Trenton limestone.

11 Q Again, Mr. Cutright mentioned the model form JOA
12 for horizontal wells. Again, as the Operations Manager,
13 that's something-- In the event that was an election in
14 this case by any of the unresponsive individuals, you
15 would be willing to abide by those terms and conditions of
16 a model form operator. Correct?

17 A Correct.

18 MR. MILLER: I don't have any further questions,
19 Mr. Chairman.

20 CHAIRMAN LAY: Questions from the Commission?

21 COMMISSIONER RADABAUGH: I don't really have a
22 question. I have a comment just the same as yesterday on
23 survey plats going forward. They need to show the spacing
24 between the wells and the boundary, lease boundary, a

1 little better than what's being shown right now.

2 MR. MILLER: Point well taken. We were trying
3 to do that last night. We just didn't get it done to
4 submit that today.

5 EXAMINATION

6 BY COMMISSIONER MARTIN:

7 Q Mr. Chairman, I have a question. Ms. Corwin, I
8 had asked Mr. Cutright the question about the Marcellus
9 wells on this pad not being completed. Is there a
10 particular reason for that?

11 A We actually finished the pad last summer in June
12 of 2014 and drilled the top holes. We didn't actually
13 complete the horizontal wells until the end of the first
14 quarter of 2015, so we just recently finished the wells.
15 We don't have a frack crew running right now, so that's
16 the only reason why.

17 Q It had nothing to do with this proposal today?

18 A Oh, no. No.

19 Q Thank you. Your intent is to complete and
20 produce those wells?

21 A Yeah. They have a good-- Well, just like I
22 said, we haven't-- We've just had a queue of-- When we
23 get a frack crew up and running, we'll frack them.

24 COMMISSIONER MARTIN: That's all I have.

1 CHAIRMAN LAY: I'll ask-- I'm sorry. Go ahead.

2 EXAMINATION

3 BY COMMISSIONER RADABAUGH:

4 Q Well, with the economics of the gas market right
5 now, I'm sure that's probably one reason you don't have a
6 frack crew running. But with those economics they have
7 with the gas market right now, is drilling this Utica on
8 the front burner to move forward with at this point or is
9 it just in the planning stages per se of getting the
10 permit and wait a little while until--

11 A We've probably spent 2015 planning a lot. But
12 the economics of whether we feel like we needed the dry
13 gas based on the performance information we've got on the
14 Pribble 6H, it would be probably one of the first places
15 we start fracking -- working, is the Utica, Physical
16 therapy. Pleasant. The economics are far better. That's
17 our viewpoint. So, yes. We will be moving forward, but
18 we are pausing right now.

19 COMMISSIONER RADABAUGH: Thank you.

20 EXAMINATION

21 BY CHAIRMAN LAY:

22 Q I just have one or two questions. Based on your
23 testimony yesterday, would you for the record again state
24 the parameters you used to determine your area of drainage

1 for your calculations or establishment of the drilling
2 pattern for this group of wells?

3 A I think yesterday you asked whether we had done
4 any kind of reservation stimulation work, and we have not.
5 What we've done is the basic decline curve analysis,
6 type-curve analysis. You try to match as far as what you
7 think is your drainage area. That's what kind of it's
8 based on.

9 And then also from the Marcellus, you know,
10 trying to make an analogy with the Marcellus, just
11 thinking, you know, it's going to be something similar to
12 it, what we've seen. But there's more performance
13 information from the Marcellus, and that's what it's based
14 on.

15 Q Okay. The other thing I wanted to get from you-
16 - You mentioned some parameters of reservoir
17 characteristics of porosity, permeability and TOC. Can
18 you tell us where those parameters came from?

19 A We did core the Pribble 6H well, so it's actual
20 core data and, also, the log data. We ran special logs
21 that we were able to get. It pretty much matched, as far
22 as our estimates of porosity, on the logging versus the
23 actual core data.

24 Q Okay. And you're comfortable in your opinion

1 that the half-life of fracture stimulation or drainage of
2 the reservoir is three hundred fifty to four hundred feet?

3 A Correct. The effective, yes.

4 CHAIRMAN LAY: That's all the questions I have.

5 (Witness excused.)

6 CHAIRMAN LAY: Before the witnesses leave,
7 Mr. Miller, would you please address-- I know you've
8 touched on part of it, but specifically would you address
9 the objections filed by R&D in their letter?

10 MR. MILLER: Yes.

11 CHAIRMAN LAY: Or D&R. Excuse me.

12 MR. MILLER: D&R. We just received that this
13 morning. We have been in consultation on that. Our basic
14 position is that this is a private contractual dispute
15 between the parties that is premature at this point. We
16 have every intention of approaching them regarding our
17 proposals if the exceptions are granted.

18 In our viewpoint, if we couldn't get
19 exceptions granted, there wasn't much to approach them
20 with about approving in this case. So the anticipation is
21 that this would be a stepped process in that-- Let me
22 grab my notes for a moment here.

23 We don't, frankly, think they have standing
24 to state a protest in this case. We're not force pooling

1 their interest, and the spacing issue is between the one
2 hundred sixty acres for lateral that they objected to may
3 be a limitation they would be able to impose on a total
4 basis of seven acres difference from what we've proposed
5 here.

6 To the extent we were unable to negotiate a
7 resolution with them before drilling the wells, then maybe
8 we'd come back to the Commission for purposes of reducing
9 the unit size and just shortening the length of the
10 laterals in order to accommodate the hundred and sixty
11 acres per lateral.

12 So we think we could, frankly, cure the
13 problem very easily one way or the other, either through
14 private negotiation or, if we had to, come back and ask
15 for an amendment to the unit, just shorten the laterals.
16 It would have to be a very short distance to accommodate
17 seven acres total off the three given the unit sizes for
18 eighty-seven as proposed to the Commission.

19 So our viewpoint is that we don't intend to
20 ignore their contractual concerns. But in our viewpoint,
21 we could come first to find out can we get the spacing
22 exception and get a pooling order, would be the first step
23 before we'd even go back to our joint venture partner and
24 find out if we could get a permit as well.

1 Then before the drilling, we would have to
2 go to them and satisfy through private negotiation or
3 exercise the other options we have available under joint
4 venture to go forward with the drilling. But we
5 understand that, if there was some contractual breach that
6 they allege existed, obviously they'd have all remedies
7 available to them at law to cure the private contractual
8 dispute between the parties.

9 CHAIRMAN LAY: Can you explain briefly what the
10 business relationship between D&R and Stone is?

11 MR. MILLER: Yes. The parties entered into a
12 joint venture back in 2010 in which D&R reserved a ten
13 percent working interest in wells to be drilled. They
14 have to elect participation at that level. If they don't,
15 then Stone can go forward with drilling the wells.

16 To this point on some of the Marcellus
17 wells, they've elected participation on a much less
18 percentage interest in going forward on the wells. So the
19 percentage they've elected to participate has been very
20 minute to-date. We anticipate that with respect to this
21 Utica development the issue for them will be financial as
22 opposed to the spacing.

23 The question will be do they think they
24 have the financial wherewithal, when we broach them in the

1 process of electing whether to participate or not, whether
2 they'd be able to. If they don't, then Stone can go
3 forward with the drilling of the well.

4 So under the joint venture agreement, it
5 doesn't prohibit us from drilling wells. It's more a
6 question of the financials of percentage take of the
7 working interest after the options are exercised or not
8 exercised, as they have the right to do. I don't know if
9 that answers your question entirely.

10 CHAIRMAN LAY: Well, I think that-- I want to
11 make sure I understand it and get it clearly on the
12 record. You have the right to operate on whatever
13 interest that D&R operates under certain terms and
14 conditions as spelled out in an agreement between the
15 parties.

16 MR. MILLER: That's correct.

17 CHAIRMAN LAY: And have you met-- Other than
18 the proposed-- Well, other than their purported hundred
19 and sixty acres, have you met all the qualifications or
20 obligations under that agreement?

21 MR. MILLER: If you would, just let me talk to
22 Mr. Cutright for a minute.

23 CHAIRMAN LAY: Okay. Do we need to call Mr.
24 Cutright back to the stand?

1 MR. MILLER: That might be advisable.

2 CHAIRMAN LAY: Okay. Could we go off the
3 record?

4 (WHEREUPON, a discussion was
5 had off the record.)

6 CHAIRMAN LAY: We'll recall you, Mr. Cutright.
7 You're still under oath.

8 MR. CUTRIGHT: Yes, sir.

9 THEREUPON came

10 ROGER L. CUTRIGHT
11 having been previously called and sworn, resumed the stand
12 and testified as follows:

13 DIRECT EXAMINATION

14 BY MR. MILLER:

15 Q Mr. Cutright, can you explain the contractual
16 arrangements between R&D and Stone?

17 A It's my understanding that the JD agreement
18 between D&R-- We call them generally D&R. I believe the
19 agreement is with D&R Holdings, Inc., if I'm not mistaken.

20 In the prior JD agreement, they granted
21 Stone the operator rights subject to certain obligations
22 of moving forward where they were able to opt in up to ten
23 percent, which they had actually opted in at ten percent
24 for the first four pad sites, which would be eight units.

1 The most recent proposals that have been
2 sent out, they did not opt in for the entire amount. I
3 don't know that that's relevant. But they have opted in
4 at the maximum, but they have not recently.

5 What we would do in this circumstance is,
6 once we got the variance, once we got the right to force
7 pool, we would then generate the AFE's and make proposals,
8 well proposals, to D&R at that time.

9 As far as I'm aware, that meets exactly
10 what our contractual obligations are with D&R. I don't
11 know of any reason we have not been in compliance with our
12 JD obligations with D&R.

13 CHAIRMAN LAY: Okay. Let's go off the record.

14 (WHEREUPON, a discussion was
15 had off the record.)

16 CHAIRMAN LAY: The witness may be excused.

17 (Witness excused.)

18 CHAIRMAN LAY: Mr. Miller, any further evidence?

19 MR. MILLER: No, Mr. Chairman. To the extent I
20 have not already done so, I'd just move the admission of
21 any exhibits that have not been admitted into evidence.

22 CHAIRMAN LAY: Any objections to any of the
23 exhibits? I think they've all been admitted. If not,
24 they're admitted.

1 MR. MILLER: We have no further evidence to
2 present.

3 CHAIRMAN LAY: Any other questions or concerns
4 before I go off the record from the Commission?

5 COMMISSIONER RADABAUGH: I guess not.

6 (WHEREUPON, a recess was had.)

7 CHAIRMAN LAY: Let's go back on the record. Mr.
8 Martin, do you have a question?

9 COMMISSIONER MARTIN: I do have a question,
10 Mr. Chairman. If Mr. Miller would be so kind to maybe
11 help me understand something here--

12 MR. MILLER: Okay.

13 COMMISSIONER MARTIN: --or at least present his
14 thoughts on this matter-- I'm looking specifically at
15 22C-9-7(b)(2). The last part of that paragraph refers to
16 some limitations on where drilling can be done as relates
17 to unleased owners. I would like to hear your position on
18 that matter as it relates to this request that we have
19 before us and the location of the wells or in the case of
20 one well in particular that will be drilled there.

21 MR. MILLER: My interpretation of that is you
22 could not locate the pad on the surface interest of an
23 unleased owner.

24 COMMISSIONER MARTIN: So the fact that we do

1 have a well that would be on both tracts that are not
2 completely leased, right, you don't believe that-- Your
3 understanding of the statute would not prohibit that?

4 MR. MILLER: That's correct. I think it's to
5 prevent somebody who doesn't want to lease to you from
6 having to put up with all the surface issues that go with
7 a pad.

8 COMMISSIONER MARTIN: Thank you. That's all I
9 have, Mr. Commissioner.

10 CHAIRMAN LAY: Okay. Do I have a motion?

11 COMMISSIONER RADABAUGH: Mr. Chairman, I'd like
12 to make a motion. I make a motion to grant Stone Energy
13 the request for an exception to the spacing requirements
14 which shall be twelve hundred feet between laterals,
15 further grant them the right to form a drilling unit of
16 487.85 feet and to allow the pooling of unleased tracts
17 and/or interests of oil and gas owners and operators.

18 Considerations shall be five thousand
19 dollars per acre, nineteen percent royalty and no
20 post-production costs. For those who may participate if
21 unable to negotiate a mutually acceptable JOA, the
22 Commission will hear and establish the terms of such.

23 CHAIRMAN LAY: I'll amend your motion to be
24 acres instead of feet.

1 COMMISSIONER RADABAUGH: Oh, excuse me,
2 Mr. Chairman. 487.85 acres.

3 CHAIRMAN LAY: Have a motion.

4 COMMISSIONER MARTIN: I'll second it.

5 CHAIRMAN LAY: Have a motion that's been
6 properly moved and seconded. Any further discussion? All
7 those in favor of the motion, aye? Opposed, nay? Motion
8 carries.

9 (WHEREUPON, motion passed.)

10 MR. MILLER: Mr. Chairman, a question. I take
11 it with that ruling passing on the motion of the protest
12 that was filed by D&R is being denied or determined to not
13 have standing. By some method, it's being denied or
14 determined not to have the proper standing?

15 CHAIRMAN LAY: Correct. That was exactly our
16 negotiation. We believed that it was a contractual
17 obligation between the parties. Since you have
18 purportedly met, it's your issue with regard to the
19 hundred and sixty acre unit size to resolve with the
20 parties.

21 It's not really-- That's a legal matter
22 between the parties and not a matter that the Commission
23 has jurisdiction over.

24 MR. MILLER: Thank you. I take it you would

1 like me to prepare the Order?

2 CHAIRMAN LAY: I would like you to prepare a
3 draft Order, if you would, please. Send that to both Ms.
4 Raines and Mr. Foster as well as for the hearing yesterday
5 as well.

6 MR. MILLER: Will do.

7 CHAIRMAN LAY: Anything further? Thank you very
8 much.

9 (WHEREUPON, the Application was
10 granted, and the hearing was adjourned.)

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REPORTER'S CERTIFICATE

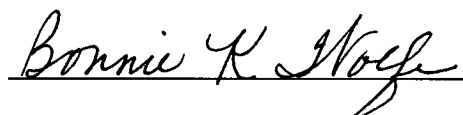
STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, to wit:

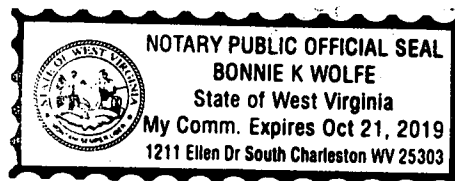
I, BONNIE K. WOLFE, Certified Court Reporter and Notary Public of West Virginia, do hereby certify that the foregoing is, to the best of my skill and ability, a true and accurate transcript of all the proceedings as set forth in the caption hereof.

Given under my hand this 3rd day of August, 2015.

My commission expires October 21, 2019.



Certified Court Reporter





west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
www.wvdep.org

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE APPLICATION BY STONE ENERGY CORPORATION FOR AN ORDER FROM THE COMMISSION FOR AN EXCEPTION TO THE SPACING REQUIREMENTS AND TO ESTABLISH A 487.85 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT. SAID UNIT TO BE LOCATED IN PROCTOR DISTRICT, WETZEL COUNTY, WEST VIRGINIA.

DOCKET NO. 233
CAUSE NO. 223

NOTICE OF HEARING

Stone Energy Corporation ("Stone") has requested the WV Oil and Gas Conservation Commission review and approve a request for an exception to the spacing requirements as set forth in CSR §39-1-4.2, and also establish a 487.85 acre drilling unit and pooling of unleased tracts and interests of operators for the development and operation of the unit in Wetzel County, West Virginia, pursuant to Chapter 22C-9-7(b).

The matter has been scheduled as stated below:

DATE: July 24, 2015

TIME: 1:00 p.m.

PLACE: Department of Environmental Protection
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

By: _____

Barry K. Lay, Chairman

Dated this 23rd day of June, 2015, at Charleston, West Virginia.

Promoting a healthy environment.

OGCC

Docket # 232-223
Certified Mail

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508

91 7199 9991 7034 1372 5804

George and Belinda Burton heirs
4431 Scissortail Loop
Westerville, OH 43981

91 7199 9991 7035 6612 6503

Emily Rachael Smith
RD 4 Box 333B Apt C5
Moundsville, WV 26041

91 7199 9991 7034 1372 5774

Stephen Justin Headley
RD 4 Box 333B Apt C5
Moundsville, WV 26041

91 7199 9991 7035 6612 6022

Bryan R. Hoskins
5080 Likini Street #315
Honolulu, HI 96818

91 7199 9991 7035 6612 6046

StatOil USA Onshore Properties, LLC
2103 Citywest Boulevard, Suite 800
Houston, TX 77042

91 7199 9991 7035 6612 6060

Debra Lynn Oates
Route 1 Box 68
New Martinsville, WV 26155

91 7199 9991 7034 1372 5798

Lois M Headley
RD 4, Box 333B Apt C5
Moundsville, WV 26041

91 7199 9991 7034 1372 5781

Amber Marie Headley
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91 7199 9991 7035 6612 6015

Cynthia Smith
Route 1 Box 189S
Keyser, WV 26726

91 7199 9991 7035 6612 6039

SWN Production Company LLC
10000 Energy Drive
Spring, TX 77389

91 7199 9991 7035 6612 6053

TH Exploration, LLC
550 Bailey Avenue Suite 510
Fort Worth, TX 76107

91 7199 9991 7035 6612 6077

OGCC
Docket # 233-223
Certified Mail

MM-Marcellus III, LP
508 W Wall Street
Midland, TX 79701

91 7199 9991 7035 6612 6084

Venable Royalty, LTD
5910 North Central Expressway
Suite 1470
Dallas, TX 75206

91 7199 9991 7035 6612 6091

Verno, LTD
5911 North Central Expressway
Suite 1470
Dallas, TX 75206

91 7199 9991 7035 6612 6107

Antero Resources Corporation
1625 17th Street
Denver, CO 80202

91 7199 9991 7035 6612 6114

Hilda A Prter
7114 Dallas Pike
Dallas, WV 26036

91 7199 9991 7035 6612 6121

Arnold E Smith
934 N State Route 2
New Martinsville, WV 26155

91 7199 9991 7035 6612 6138

MaryLou Smith
618 Foundry Street
New Martinsville, WV 26155

91 7199 9991 7035 6612 6145

Milton O Smith
616 Foundry Street
New Martinsville, WV 26155

91 7199 9991 7035 6612 6152

David L. Smith
20 Steelton Street
New Martinsville, WV 26155

91 7199 9991 7035 6612 6169

Ralph O Smith
128 Central Street
New Martinsville, WV 26155

91 7199 9991 7035 6612 6176

Raines, Cindy J

From: Raines, Cindy J
Sent: Tuesday, June 23, 2015 1:42 PM
To: office@wetzelschronicle.com
Subject: Class II legal ad
Attachments: Docket 233-223.pdf

Please print the following (and attached) as a Class II legal ad on Wednesday, July 1 and again on Wednesday, July 8 and invoice to address below:

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE APPLICATION BY STONE ENERGY CORPORATION FOR AN ORDER FROM THE COMMISSION FOR AN EXCEPTION TO THE SPACING REQUIREMENTS AND TO ESTABLISH A 487.85 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT. SAID UNIT TO BE LOCATED IN PROCTOR DISTRICT, WETZEL COUNTY, WEST VIRGINIA.

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The matter has been scheduled as stated below:

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Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA:

**OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

By: _____
Barry K. Lay, Chairman

Dated this 23rd day of June, 2015, at Charleston, West Virginia.

Please confirm receipt.

Cindy Raines
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508



May 6, 2015

Oil and Gas Conservation Commission
Department of Environmental Protection
Attention: Cindy Raines
601 57th Street
Charleston, WV 25304

Re: Erlewine 12HU, 14HU, and 16HU Deep Well Application

Dear Ms. Raines:

Please find enclosed an original and two copies of Stone Energy Corporation's ("Stone") supplemental application to form a deep well drilling unit around the Erlewine 12HU, 14HU, and 16HU wells and obtain a variance to the 3000' spacing requirement set forth in W. Va. CSR § 39-1-4.2. In accordance with W. Va. CSR § 39-1-4.3, Stone requests a hearing to offer support for these requests.

Should you have any questions, please feel free to contact me at 304.225.1789.

Respectfully,

A handwritten signature in black ink that reads "Roger L. Cutright". The signature is written in a cursive style with a large, looping "R" at the beginning.

Roger L. Cutright
Land Manager and Special Counsel

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Office of Oil & Gas
MAY 07 2015

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE SUPPLEMENTAL
APPLICATION BY STONE ENERGY CORPORATION,
A DELAWARE CORPORATION, FOR AN
EXCEPTION TO THE 3000' SPACING REQUIREMENT
SET FORTH IN W. VA. CSR § 39-1-4.2 AND FOR THE
POOLING AND UNIT OPERATION OF A 487.85-ACRE
DEEP WELL UNIT FOR PRODUCTION OF OIL AND
GAS IN PROCTOR DISTRICT, WETZEL COUNTY,
WEST VIRGINIA

DOCKET NO. _____
CASE NO. _____

SUPPLEMENTAL APPLICATION
For Pooling and Spacing Exceptions

NOW COMES STONE ENERGY CORPORATION, a Delaware corporation, ("Applicant") and gives notice of its intention to direct the bottom of the Erlewine 12HU, 14HU, and 16HU wells away from vertical and (1) pursuant to W. Va. CSR § 39-1-4.3, requests an exception to the 3,000' spacing requirement set forth in W. Va. CSR § 39-1-4.2, and (2) pursuant to W. Va. CSR § 22C-9-7(b), requests an order requiring the pooling of oil and gas interests in certain lands for the development and operation of a 487.85-acre drilling unit for the Erlewine 12HU, 14HU, and 16HU wells. In support of its Supplemental Application, Applicant states as follows:

1. Applicant is a Delaware corporation engaged in the production of oil and gas within the State of West Virginia and is an operator within the meaning of W. Va. Code § 22C-9-2(a)(4). The Applicant is a qualified and experienced operator of oil and gas wells, including horizontal wells, in West Virginia. The Applicant's address is:

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508

2. Applicant desires to pool interests and form a 487.85-acre unit (the "Unit), drill the Erlewine 12HU, Erlewine 14HU, and Erlewine 16HU wells in the Point Pleasant Formation, and operate the wells and unit for the production of oil and gas in Proctor District, Wetzel County, West Virginia, to be known as the Erlewine Utica Unit B, as more particularly described and depicted on the plats identified collectively as **Exhibit A** attached hereto. Each plat was drawn to the scale of 1 inch equal to 2000 feet showing the area involved, and prepared by a licensed land surveyor. In addition, each plat shows:

- a. the boundaries of the proposed drilling unit;
- b. the distance from the proposed well to the nearest outside boundary of the proposed unit;
- c. the acreage of each tract within the unit;
- d. all deep oil and gas wells completed, drilled, or permitted within a distance of 2 miles, including all abandoned deep wells within 1 mile, if any, and the distance to each;
- e. the proposed or actual location of the Erlewine 12HU, 14HU, and 16HU wells as determined by survey, the courses and distances of such location from two (2) permanent points or landmarks on said tracts and the number to be given the deep well;
- f. the location at which deep oil or gas wells have been drilled or could be drilled in accordance with the applicable special field order or rule; and

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MAY 07 2015

- g. all wells, including shallow wells and dry and abandoned wells located in the Unit Area, all of which are properly designated by name and known permit numbers.

3. Applicant requests a variance to allow it to locate the Erlewine 12HU, 14HU, and 16HU wells within less than 3000' of each other. Applicant believes such spacing will allow for the most efficient development of the oil and gas within the Unit Area and minimize the potential for waste.

4. Topographical maps showing the surface topography of the surface location of the Erlewine 12HU, 14HU, and 16HU wells and the adjoining areas are attached as **Exhibit B**.

5. **Exhibit C**, entitled Offset Operators, shows the names and addresses of unleased mineral owners and lessees of tracts adjacent to the proposed unit.

6. Applicant requests that notice of this application be given to those listed on Exhibit C, and that notice be published and otherwise given as required by law.

7. The vertical portion of the Erlewine 12HU, 14HU, and 16HU wells will be drilled on that certain 135-acre tract or parcel being identified by reference to Map 6, Parcel 46 ("Drill Site").

8. Applicant has obtained 100% of the leasing rights for the Drill Site by and through the following leases (the "Well Location Leases"):

- a. from Richard L. Erlewine, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 134A, page 131;
- b. from Ronald Carney and Glenna R. Carney, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 459;
- c. from Ralph Douglas Huff and Jean Huff, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 461;
- d. from Joyce Ellen Cokeley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 465;
- e. from Nita Adkins and Ronald R. Adkins, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 463;
- f. from Jill Stanley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 469;
- g. from Charlene Wade and Gary L. Wade, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 471;
- h. from Judy Bertrand, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 467;
- i. from Doreen Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 473;
- j. from Gerald Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 475;
- k. from Thomas E. Miller and Jean Ann Miller, husband and wife, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 132A, page 366; and
- l. from David C. White, in his capacity as special commissioner for and on behalf of Paul Loman Miller, and/or his heirs, successors, assigns, devisees or distributees, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 161A, page 76.

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9. The Erlewine 12HU well will be drilled from surface at an azimuth of 210 degrees, 1,508' to a Landing Point, then at an azimuth of 145 degrees, 6,000' to the Ending Point; the Erlewine 14HU well will be drilled from surface at an azimuth of 159 degrees, 805' to a Landing Point, then at an azimuth of 145 degrees, 5,405' to the Ending Point; the Erlewine 16HU well will be drilled from surface at an azimuth of 91 degrees, 1,213' to a Landing Point, then at an azimuth of 145 degrees, 5,604' to the Ending Point. The Erlewine 12HU, 14HU, and 16HU wells will be completed in the Point Pleasant formation, and a unit is requested with respect to that formation.

10. In addition to, and separate and apart from its lease rights, Applicant has entered into a written consent and easement with the owners of the Drill Site for the drilling of the Erlewine 12HU, 14HU, and 16HU wells pursuant to W. Va. Code § 22C-9-7(b)(4), a copy of which is attached hereto as **Exhibit D** ("Statutory Consent and Easement"). In addition, Applicant has obtained an Amendment to Surface Use and Damages Agreement with the surface owner, Richard L. Erlewine, dated February 20, 2014, a Memorandum of which was recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Book 160A, page 292.

11. Of the 487.85 acres in the proposed Erlewine Utica Unit B, 6.55 net acres are unleased and owned by those identified on **Exhibit E**, entitled Unit Interest of Unleased Owners.

12. The production of oil and gas from the Unit can be allocated in such a manner as to ensure the recovery by Applicant and the oil and gas royalty owners and operators of properties in the proposed unit of their just and equitable share of such production.

13. Applicant requests that notice of this application be published and given to all necessary parties.

14. An order requiring the unit operation of the Unit for the production of oil and gas is reasonably necessary for the protection of correlative rights, prevention of waste and the drilling of unnecessary wells.

15. A verification of this application is attached and incorporated herein.

WHEREFORE, Applicant respectfully requests that:

a. This Commission conduct such hearings as are required by law regarding the requests stated herein; and

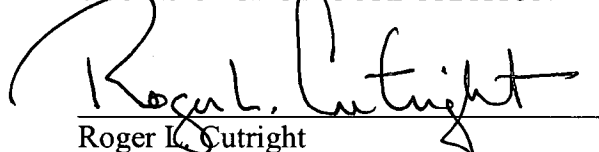
b. The Commission enter an order requiring the unitization of lands as requested herein for the operation of deep oil and gas wells; and

c. The Commission enter an order approving all necessary exceptions to the Commission's rules regarding the well locations; and

d. The Commission receive the elections provided by W. Va. Code § 22C-9-7(b) and enter one or more orders as contemplated by law in connection with this application; and

e. For such further or other relief as the Commission may find just and proper.

STONE ENERGY CORPORATION



Roger L. Cutright
Land Manager and Special Counsel
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508
304-225-1789

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Office of Oil & Gas
MAY 07 2015

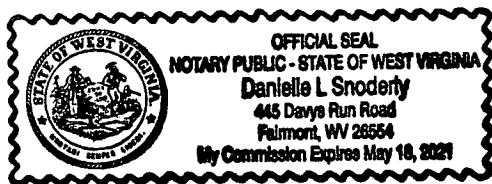
VERIFICATION

STATE OF WEST VIRGINIA

COUNTY OF MONONGALIA, to wit:

This day personally appeared before me, the undersigned, Roger L. Cutright, who being by me first duly sworn, deposes and says that he is the Land Manager and Special Counsel of Stone Energy, Inc., Applicant in the foregoing Supplemental Application and knows the contents thereof pertaining to its claims and allegations; that the facts set forth therein are true, except as to such matters as are therein stated to be upon information and belief, and that insofar as matters are therein stated to be upon information and belief, he believes them to be true.

The foregoing instrument was acknowledged before me on this 7th day of May, 2015 by Roger L. Cutright, Land Manager and Special Counsel.



Danielle L. Snodery
Notary Public
My commission expires: 5/18/2021

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MAY 07 2015

ERLEWINE #12HU

(SEE PAGE 2 OF 2 FOR PLAT)

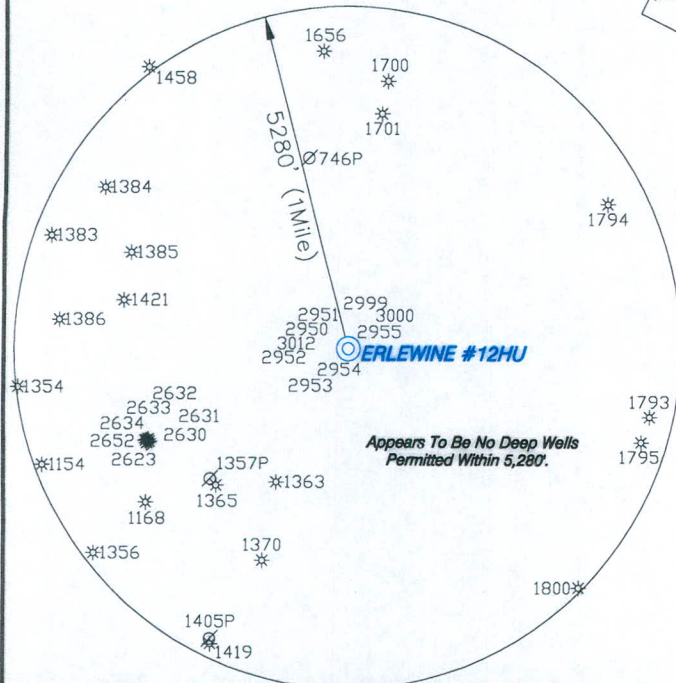
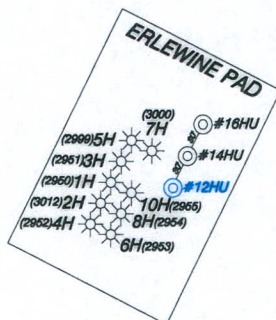
ERLEWINE #12HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE-NAD 27 (N) 433670 (E) 1634932	L & L DECIMAL NAD 27 36.66344 80.79717	UTM (NAD 83) ZONE 17 METERS 4392651 517408

ERLEWINE #12HU LANDING POINT		
STATE PLANE COORDINATES NORTH ZONE-NAD 27 (N) 432365 (E) 1634175	L & L DECIMAL NAD 27 36.67963 80.79980	UTM (NAD 83) ZONE 17 METERS 4392250 517185

ERLEWINE #12HU BOTTOM HOLE		
STATE PLANE COORDINATES NORTH ZONE-NAD 27 (N) 427462 (E) 1637818	L & L DECIMAL NAD 27 36.66847 80.78731	UTM (NAD 83) ZONE 17 METERS 4390770 518258

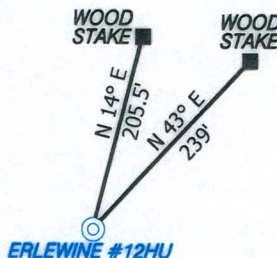
ERLEWINE #12HU

TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	RICHARD L. ERLEWINE	135.0±	72.0±
B	BAR CONSTRUCTION, INC.	53.0±	8.6±
C	SHIBEN ESTATES, INC.	5.0±	5.0±
D	SHIBEN ESTATES, INC.	17.875±	3.4±
E	SHIBEN ESTATES, INC.	23.5±	6.9±
F	MARY JO BURTON	79.75±	34.4±
G	SHIBEN ESTATES, INC.	36.5±	36.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAVER MATERIALS SCIENCE LLC	4.0±	3.6±
J	BAVER MATERIALS SCIENCE LLC	99.5±	64.8±
K	GLADYS ANTHONY	38.5±	21.7±
L	ANTERO RESOURCES APPALACHIAN CORPORATION	25.0±	5.2±
M	ANTERO RESOURCES APPALACHIAN CORPORATION	23.0±	8.9±
N	ANTERO RESOURCES APPALACHIAN CORPORATION	15.0±	8.6±
O	ROCHELLE TOST HAPER	30.0±	20.0±
P	WANDA R. SPRINGSTON	98.35±	78.9±
Q	MALCOLM G. HALL & ROBBIE L. HALL	66.0±	2.3±
R	SHARON L. HENTHORN	1.65±	1.65±
S	RUTH E. BLAKE	124.0±	40.9±
T	RUTH E. BLAKE	14.5±	14.5±
U	GASTAR EXPLORATION USA, INC.	42.0±	7.1±
V	ROGER J. POWELL & DAVID L. BLANE-SCHWELL	10.3±	2.0±
W	PETER G. STANBURY	128.9±	1.3±
X	SHEN PRODUCTION COMPANY, LLC	83.82±	5.0±
		UNIT TOTAL	487.85±



REFERENCES

1" = 200'



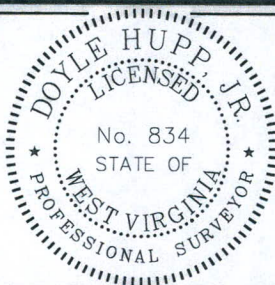
NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WWDP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 2015

OPERATORS WELL NO. ERLEWINE #12HU

API
WELL NO. 47-103-
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SCALE 1" = 1000'
SG-GPS (OPUS)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL GAS X LIQUID WASTE IF
INJECTION DISPOSAL "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION : ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK

DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK : LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT

ESTIMATED DEPTH TVD-11,360' MD-18,060'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

COUNTY NAME

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Office of Oil & Gas
MAY 07 2015

ERLEWINE #12HU

LONG. 80°47'49.8" 1,530'

LATITUDE 39°42'30"

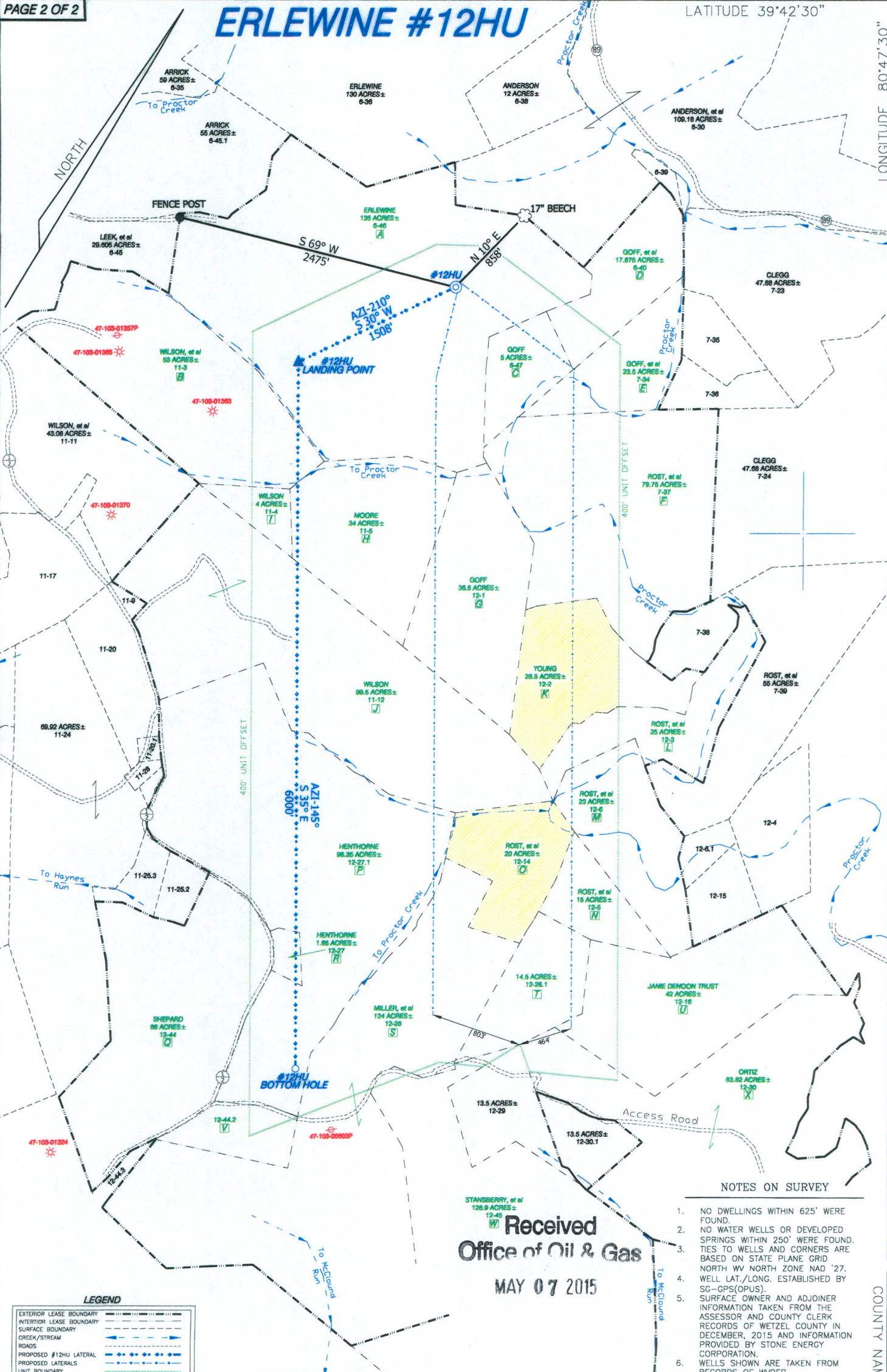
LONGITUDE 80°47'30"

9,065'

LAT. 39°41'00.4"

COUNTY NAME

PERMIT



LEGEND

EXTERIOR LEASE BOUNDARY	---
INTERIOR LEASE BOUNDARY	- - - -
SURFACE BOUNDARY	---
CREEK/STREAM	~ ~ ~ ~
ROADS	---
PROPOSED #12HU LATERAL	---
PROPOSED LATERALS	---
UNIT BOUNDARY	---
UNIT TRACT	---
PERMITTED WELL	---
ROAD/ROUTE NUMBER	---
FORCED POOLING	---

API WELL NO. 47-103-

STATE WV COUNTY PUTNAM PERMIT ---

DATE APRIL 27, 20 15

OPERATORS WELL NO. ERLEWINE #12HU

NOTES ON SURVEY

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WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

ERLEWINE #14HU

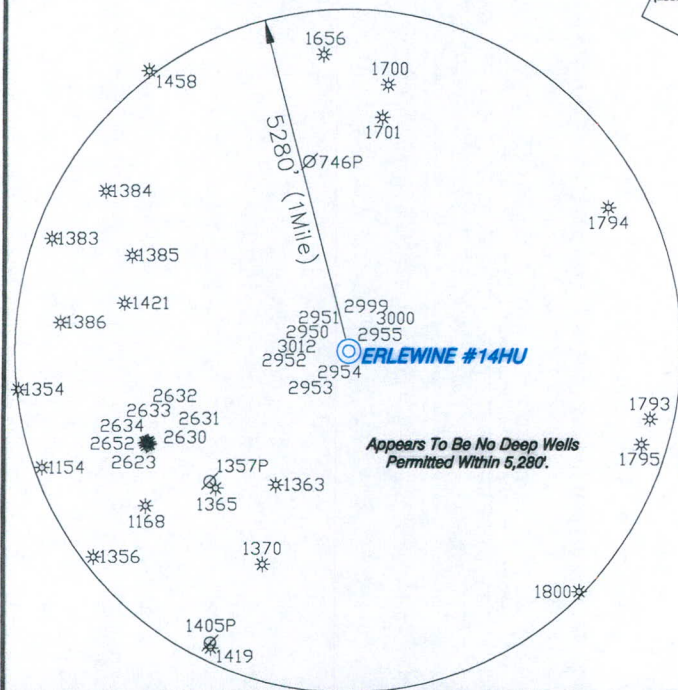
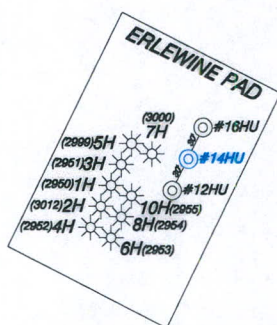
(SEE PAGE 2 OF 2 FOR PLAT)

ERLEWINE #14HU SURFACE HOLE		
STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE-NAD 27	NAD 27	ZONE 17
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(E) 1634945	80.78713	4382850
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ERLEWINE #14HU LANDING POINT		
STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
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(E) 1635234	80.79608	4382432
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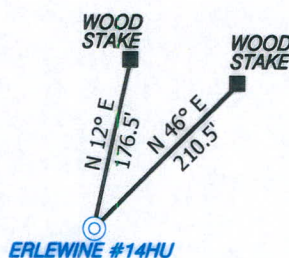
ERLEWINE #14HU BOTTOM HOLE		
STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE-NAD 27	NAD 27	ZONE 17
(N) 428517	39.66942	METERS
(E) 1638332	80.78483	4391098
		518470

ERLEWINE #14HU			
TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	RICHARD L. ERLEWINE	135.0±	72.6±
B	RAM CONSTRUCTION, INC.	53.0±	8.6±
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D	SHIBEN ESTATES, INC.	17.875±	3.4±
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W	PETER G. STANSBURY	128.9±	1.3±
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	UNIT TOTAL	487.85±	



REFERENCES

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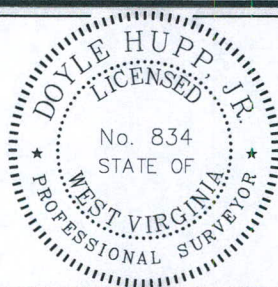
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DATE APRIL 27, 2015

OPERATORS WELL NO. ERLEWINE #14HU

API WELL NO. 47-103-
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SCALE 1" = 1000'
SG-GPS (OPUS)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



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DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK : LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT

ESTIMATED DEPTH TVD-11,350' MD-17,280'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

COUNTY NAME

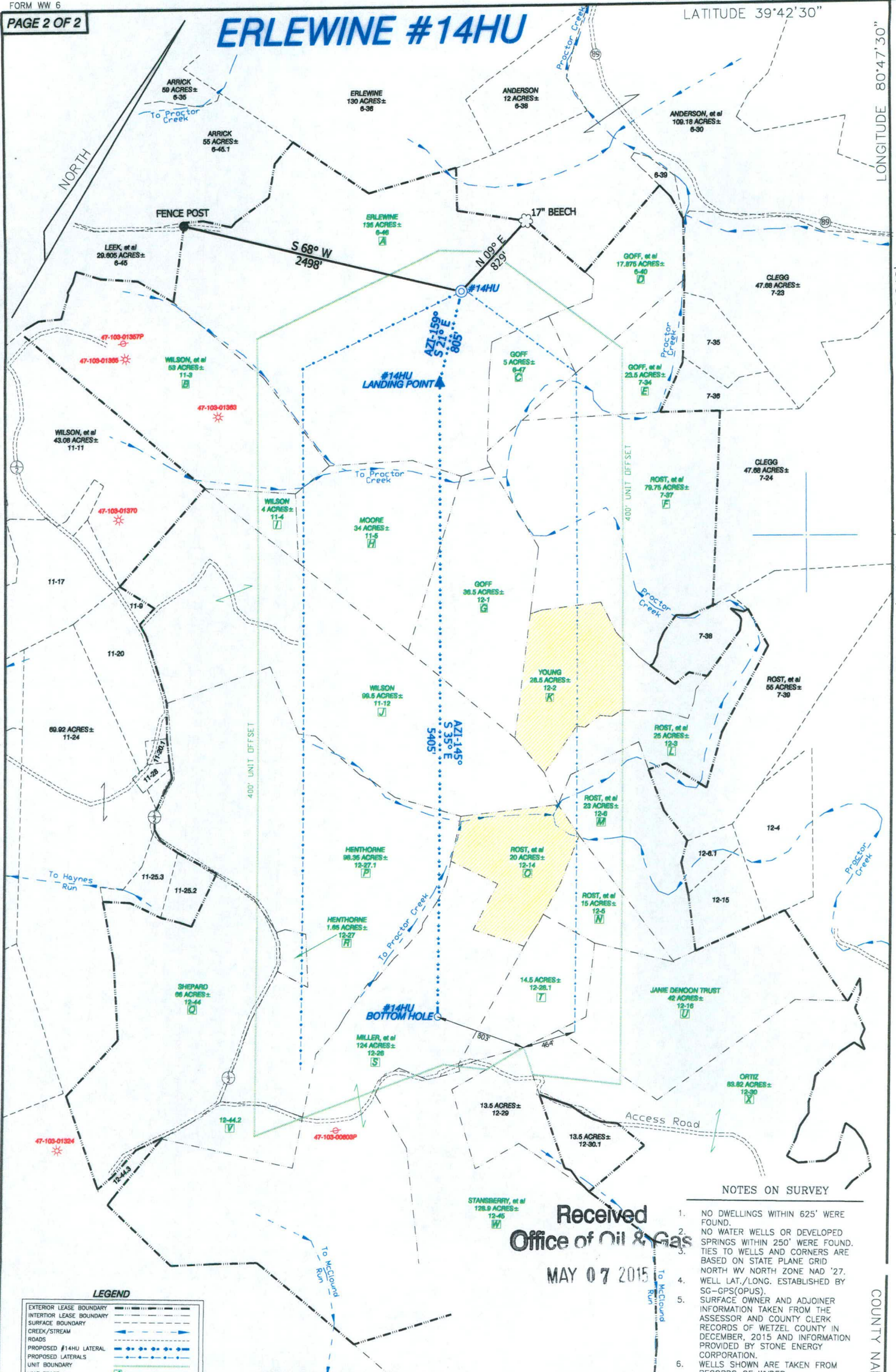
PERMIT

LONG. 80°47'49.7" → 1,520'

LATITUDE 39°42'30"

LONGITUDE 80°47'30"

LAT. 39°41'00.6"

ERLEWINE #14HUReceived
Office of Oil & Gas

MAY 07 2015

API
WELL NO. **47-103-**
STATE COUNTY PERMIT
DATE APRIL 27, 2015
OPERATORS WELL NO. **ERLEWINE #14HU**

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

WELL OPERATOR **STONE ENERGY CORPORATION**DESIGNATED AGENT **TIM MCGREGOR**ADDRESS **P.O. BOX 52807 LAFAYETTE, LA 70508**ADDRESS **1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508**

COUNTY NAME

PERMIT

ERLEWINE #16HU

(SEE PAGE 2 OF 2 FOR PLAT)

ERLEWINE #16HU SURFACE HOLE

STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE-NAD 27	NAD 27	ZONE 17
(N) 433724	30.68359	METERS
(E) 1634968	80.79708	4362668
		517416

ERLEWINE #16HU
LANDING POINT

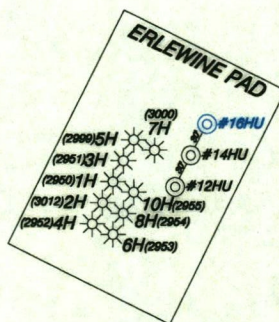
STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE-NAD 27	NAD 27	ZONE 17
(N) 433689	30.68357	METERS
(E) 1636171	80.79277	4362666
		517786

ERLEWINE #16HU
BOTTOM HOLE

STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE-NAD 27	NAD 27	ZONE 17
(N) 429111	30.67110	METERS
(E) 1636388	80.78111	4361285
		518780

ERLEWINE #16HU

TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	RICHARD L. ERLEWINE	135.0±	72.6±
B	BBB CONSTRUCTION, INC.	53.0±	8.6±
C	SHIBEN ESTATES, INC.	5.0±	5.0±
D	SHIBEN ESTATES, INC.	17.875±	3.4±
E	SHIBEN ESTATES, INC.	23.5±	6.9±
F	MARY JO BURTON	79.75±	34.4±
G	SHIBEN ESTATES, INC.	36.5±	36.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAYER MATERIALS SCIENCE LLC	4.0±	3.6±
J	BAYER MATERIALS SCIENCE LLC	99.6±	64.8±
K	GLADYS ANTHONY	28.5±	21.7±
L	ANTERO RESOURCES	25.0±	5.2±
M	ANTERO RESOURCES	23.0±	8.9±
N	ANTERO RESOURCES	15.0±	6.6±
O	ROBINNA POST HARTER	30.0±	30.0±
P	WANDA R. SPRINGSTON	98.35±	78.9±
Q	MALCOM G. HALL & BONNIE L. HALL	66.0±	2.3±
R	SHARON L. HENTHORN	1.86±	1.86±
S	RUTH E. BLAKE	124.0±	40.9±
T	RUTH E. BLAKE	14.5±	14.5±
U	GASTAR EXPLORATION USA, INC.	42.0±	7.1±
V	ROGER J. POWELL & DANIEL L. BLAKE-POWELL	10.3±	2.0±
W	PETER G. STANBURY	128.9±	1.3±
X	SWIN PRODUCTION COMPANY, LLC	83.82±	5.0±
	UNIT TOTAL	487.85±	

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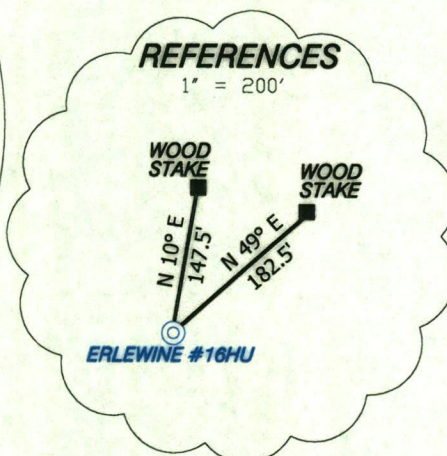
MAY 07 2015

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WVDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

REFERENCES

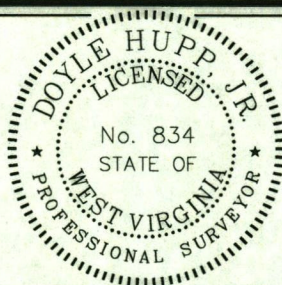
1" = 200'



I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

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(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 2015

OPERATORS WELL NO. ERLEWINE #16HU

API
WELL NO. 47-103-
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SG-GPS (OPUS) SCALE 1" = 1000'

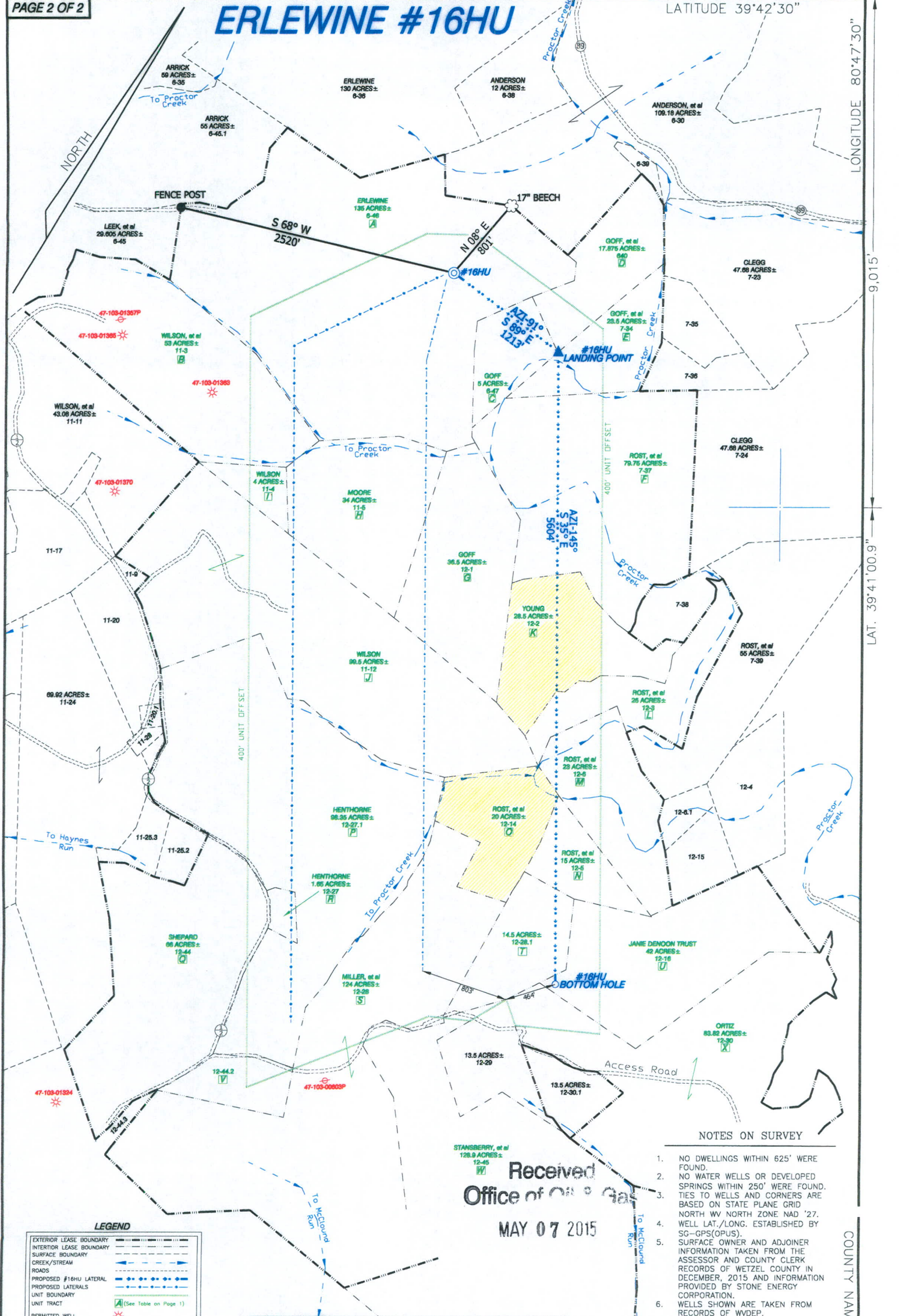
STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL GAS ☒ LIQUID INJECTION WASTE DISPOSAL "GAS" PRODUCTION ☒ STORAGE DEEP ☒ SHALLOW
LOCATION : ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK
DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'
SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±
ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±
PROPOSED WORK : LEASE NO.
DRILL ☒ CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE ☒ PLUG OFF OLD
FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT
ESTIMATED DEPTH TVD-11,350' MD- 18,350'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

ERLEWINE #16HU



LEGEND

EXTERIOR LEASE BOUNDARY	---
INTERIOR LEASE BOUNDARY	- - -
SURFACE BOUNDARY	---
CREEK/STREAM	~ ~ ~
ROADS	==
PROPOSED #16HU LATERAL	---
PROPOSED LATERALS	---
UNIT BOUNDARY	---
UNIT TRACT	---
PERMITTED WELL	✱
ROAD/ROUTE NUMBER	⊕
FORCED POOLING	---

API WELL NO. 47-103-

STATE WV COUNTY PUTNAM PERMIT 15

DATE APRIL 27, 20 15

OPERATORS WELL NO. ERLEWINE #16HU

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
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WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

Form W-9

Page 1 of 1

**Stone Energy
Corporation
Erlewine #12HU**



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P.O. BOX 647 GRANTSVILLE, WV 26147
PH: (304) 354-7035 E-MAIL: hupp@frontiernet.net

1" = 4000'
New Martinsville 7.5'

Stone Energy Corp.
1300 Fort Pierpont Dr., Suite 201
Morgantown, WV 26508

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Form W-9

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Stone Energy Corporation
Erlewine #14HU



NORTH

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1" = 4000'
New Martinsville 7.5'

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1300 Fort Pierpont Dr., Suite 201
Morgantown, WV 26508

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Form W-9

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Stone Energy Corporation Erlewine #16HU



NORTH

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P.O. BOX 647 GRANTSVILLE, WV 26147
PH: (304) 354-7035 E-MAIL: hupp@frontiernet.net

1" = 4000'
New Martinsville 7.5'

Stone Energy Corp.
1300 Fort Pierpont Dr., Suite 201
Morgantown, WV 26508

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**Exhibit C
Offset Operators**

Erlewine 12 HU

District	Tax Map	Parcel	Lessee/Unleased Owner	Address
12	11	20.1	Debra Lynn Oates	Rt. 1 Box 68 New Martinsville, WV 26155 ✓
12	11	20.1	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981 ✓
12	11	25.2	Lois M. Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Emily Rachael Smith	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Amber Marie Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Stephen Justin Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	28	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	14	Susan Rosier	Out of country/unknown
12	12	14	Lewis F. Arman Heirs	Unknown
12	12	14	Susan F. Dotson heirs	Unknown
12	12	14	Thomas Arman heirs	Unknown
12	12	14	Fred Arman heirs	Unknown
12	12	14	Ruben (Reuben) Arman heirs	Unknown
12	12	14	B.W. (Byron) Arman heirs	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	6	40	Ethel Anderson Heirs	Unknown
12	11	11	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	20	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	24	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	25.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	9	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	47	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

Erlewine 14 HU

District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	2	Leona Bower	Unknown
12	12	2	Carolyn Shinn heirs	Unknown
12	12	2	Cynthia Smith	Rt. 1 Box 189 S. Keyser, WV 26726 ✓
12	12	2	Kelly Dalton	Unknown
12	12	2	Kristin Shahan	Unknown
12	12	2	Meredith Smith, Jr.	Unknown
12	12	2	Bryan R. Hoskins	5080 Likini Street #315 Honolulu, HI 96818 ✓
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389 ✓
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042 ✓
12	11	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	4	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	6	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	40	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	16	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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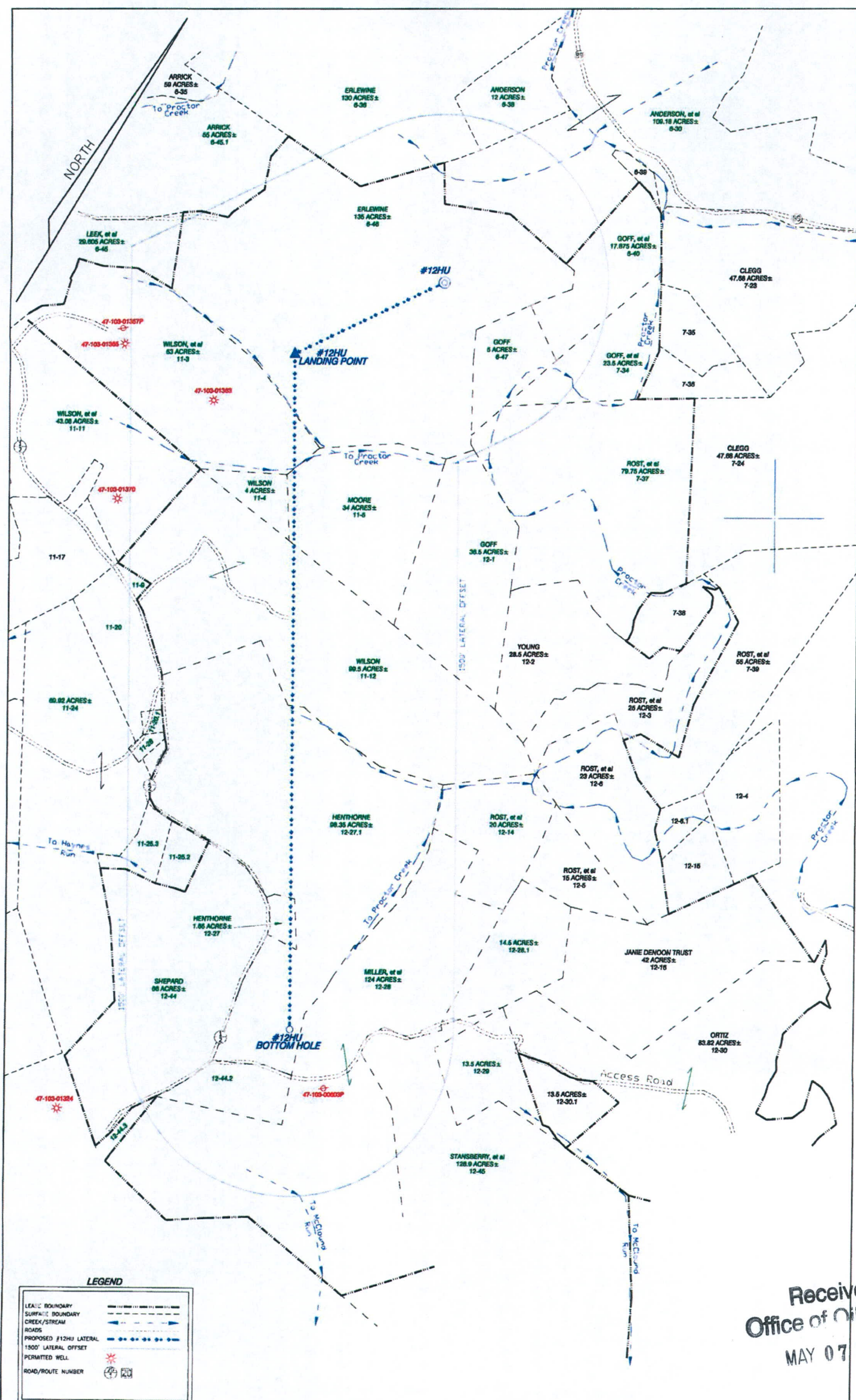
Erlewine 16 HU

District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	15	Amanda Butler Heirs	Unknown
12	12	15	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107 ✓
12	12	15	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701 ✓
12	12	4	Amanda Butler Heirs	Unknown
12	12	4	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107
12	12	4	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701
12	7	23	Venable Royalty, Ltd	5910 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	Verno, Ltd	5911 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	24	Antero Resources Appalachian Corporation	1625 17th Street Denver, CO 80202 ✓
12	7	35	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	36	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042
12	12	6.1	Hilda A. Porter	7114 Dallas Pike Dallas, WV 26036 ✓
12	12	6.1	Carl William Goddard	Unknown
12	12	6.1	Arnold E. Smith	934 N. State Rt. 2 New Martinsville, WV 26155 ✓
12	12	6.1	MaryLou L. Smith	618 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	David L. Smith	20 Steelton St. New Martinsville, WV 26155 ✓
12	12	6.1	Ralph O. Smith	128 Central St New Martinsville, WV 26155 ✓
12	12	6.1	Milton O. Smith	616 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	Sonny L. Smith	Rt. 1 Box 89 New Martinsville, WV 26155
12	12	6.1	Nellie Suter	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	11	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	39	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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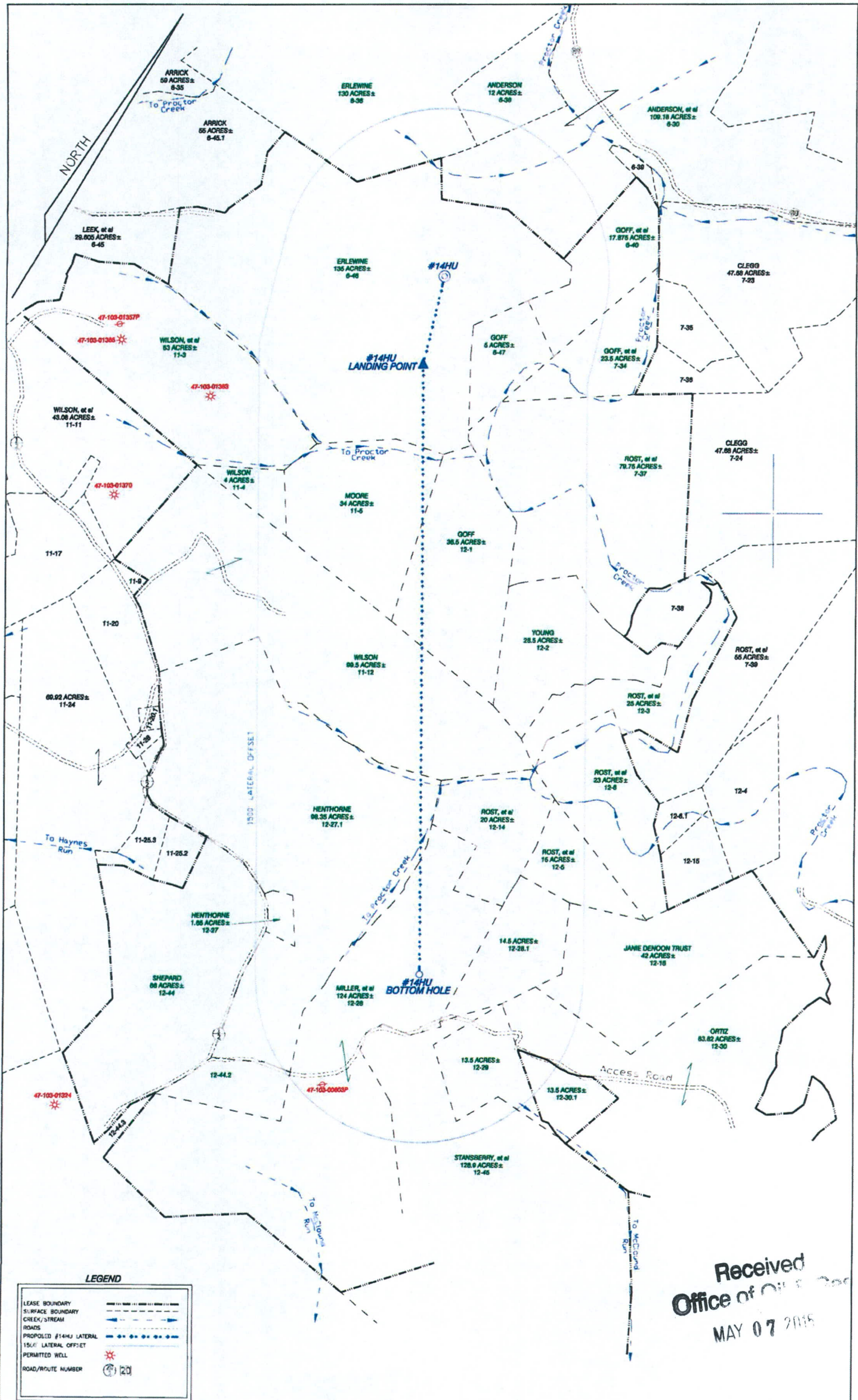


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P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

ERLEWINE #12HU OFFSET MAP

STONE ENERGY CORPORATION
P.O. Box 647 LAFAYETTE, LA 70508



CERTIFICATE OF CONSENT AND EASEMENT

We, the undersigned, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, being all the owners of the surface of that certain lot, tract or parcel of land located in Proctor District, Wetzel County, State of West Virginia, shown on the attached plat or survey, do hereby consent and grant an easement, pursuant to West Virginia Code, Section 22C-9-7(b)(4) and Operating Rule 4.4 of the Rules and Regulations of the West Virginia Oil and Gas Conservation Commission, to Stone Energy Corporation, its successors or assigns, for the drilling and operation of a deep well for the production of oil or gas at the location shown on the attached plat or survey.

Executed this 11th day of February, 2015.

Richard L. Erlewine
Richard L. Erlewine

STATE OF WEST VIRGINIA

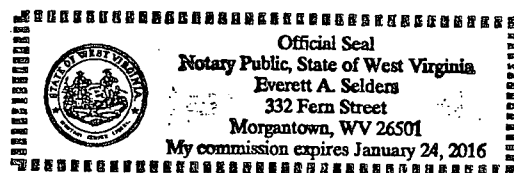
COUNTY OF Wetzel To-Wit

I, Everett A. Selders, a Notary Public in and for the aforesaid County and State, do hereby certify that Richard L. Erlewine, whose name is signed to the writing above, bearing date on the 11th day of February, 2015, has this day acknowledged the same before me, in my said County and State. Given under my hand this 11th day of February, 2015.

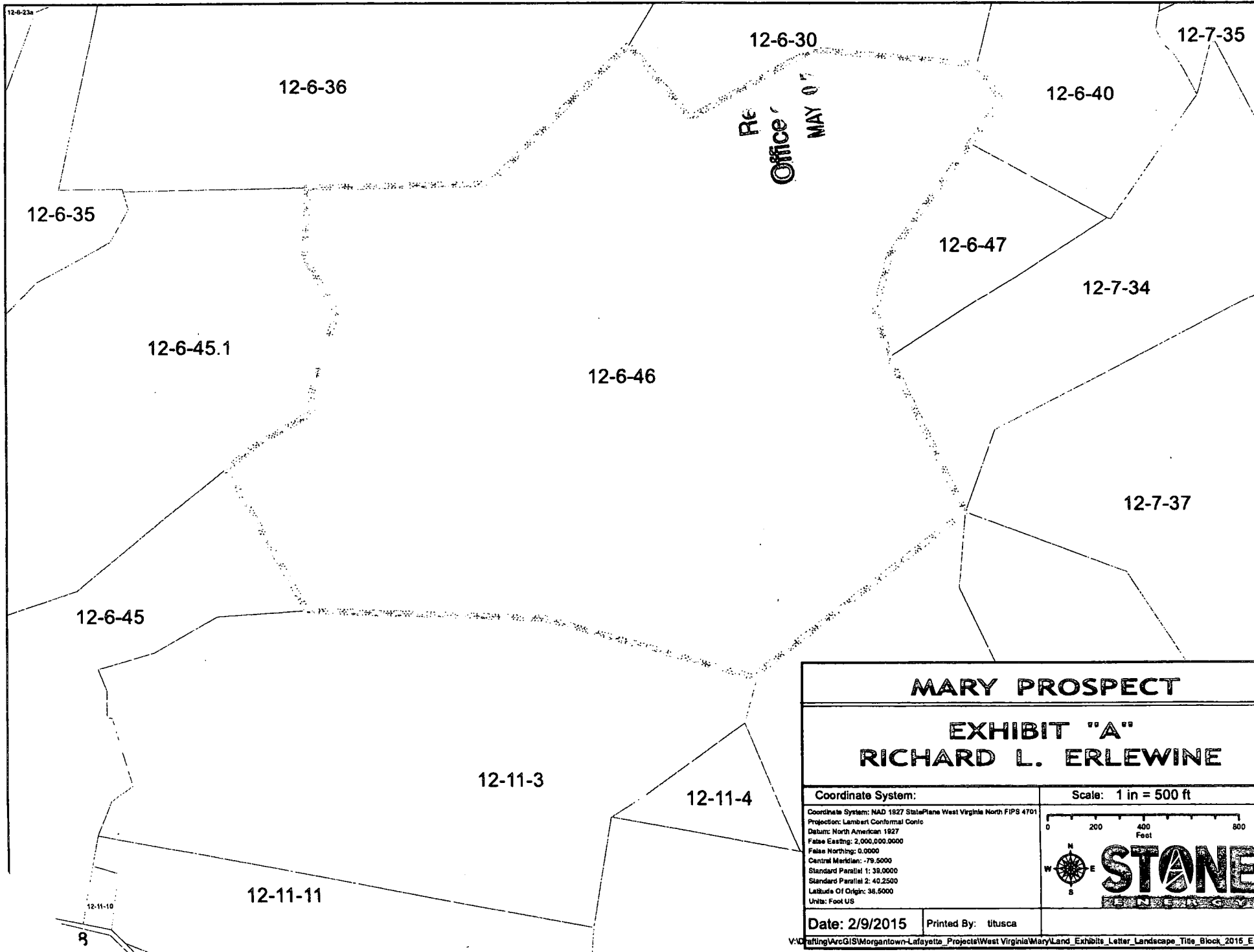
Everett A. Selders

My Commission expires on: 1/24/2016

This instrument prepared by:
WV Oil and Gas Conservation Commission
601 57th Street
Charleston, WV 25304



Received
Office of Oil & Gas
MAY 07 2015




MARY PROSPECT	
EXHIBIT "A"	
RICHARD L. ERLEWINE	
Coordinate System:	Scale: 1 in = 500 ft
Coordinate System: NAD 1927 StatePlane West Virginia North FIPS 4701 Projection: Lambert Conformal Conic Datum: North American 1927 False Easting: 2,000,000.0000 False Northing: 0.0000 Central Meridian: -79.5000 Standard Parallel 1: 39.0000 Standard Parallel 2: 40.2500 Latitude Of Origin: 38.6000 Units: Foot US	
Date: 2/9/2015	Printed By: titusca

Exhibit E					
Unit Interest of Unleased Owners					
District/Tax Map/Parcel	Acres in Unit	Unleased Owner	Address	% Interest	Net Acres
12-12-14	21.7	Susan Rosier	Unknown	7.50%	1.6275
12-12-14	21.7	Lewis F. Arman Heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Susan F. Dotson heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Thomas Arman heirs	7616 WELCOME DRIVE WAKE FOREST, NC 27587	2.50%	0.5425
12-12-14	21.7	Fred Arman heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Ruben (Reuben) Arman heirs	Unknown	2.50%	0.5425
12-12-14	21.7	B.W. (Byron) Arman heirs	Unknown	2.50%	0.5425
12-12-2	20	Leona Bower	Unknown	2.86%	0.571428
12-12-2	20	Carolyn Shinn Heirs	128 SOUTH 2ND AVE PADEN CITY, WV 26159	1.30%	0.25974
12-12-2	20	Cynthia Smith	Rt. 1 Box 189 S KEYSER, WV 26726	1.30%	0.25974
12-12-2	20	Kelly Dalton	9 BEECH STREET AMBRIDGE, PA 15003	0.26%	0.051948
12-12-2	20	Kristin Shahren	905 LENZ AVE AMBRIDGE, PA 15003	0.52%	0.103896
12-12-2	20	Meredith Smith, Jr.	927A RIVERSIDE DRIVE BEAVER, PA 15009	0.52%	0.103896
12-12-2	20	Bryan R. Hoskins	5080 LIKINI STREET #1014 HONOLULU, HI 96818	1.59%	0.31746
					6.550608

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Ex. 4

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator: Stone Energy Corporation 494490923 Wetzel Proctor New Martinsville
Operator ID County District Quadrangle

2) Operator's Well Number: #12HU Well Pad Name: Erlewine

3) Farm Name/Surface Owner: Erlewine, Richard Public Road Access: Wetzel County Route 1/2

4) Elevation, current ground: 1,222' Elevation, proposed post-construction: 1,212'

5) Well Type (a) Gas ☒ Oil ☐ Underground Storage ☐
Other ☐

(b) If Gas Shallow ☐ Deep ☒
Horizontal ☒

6) Existing Pad: Yes or No Yes

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Expected Pressure(s):
The well will target the Utica/Point Pleasant formations @ 11,270' TVD (-10,058' SS), 350' thick w/ RP = 9,200 - 9,700 psig. ✓

8) Proposed Total Vertical Depth: 11,360

9) Formation at Total Vertical Depth: Utica/Point Pleasant

10) Proposed Total Measured Depth: 18,060'

11) Proposed Horizontal Leg Length: 6,062' from the LP & 7,481' from the KOP

12) Approximate Fresh Water Strata Depths: 110', 290', 330' and 870'

13) Method to Determine Fresh Water Depths: When having to soap wellbore or show of fluid at end of flow line

14) Approximate Saltwater Depths: 1,575', 1,610' and 2,190

15) Approximate Coal Seam Depths: 835' and 865'

16) Approximate Depth to Possible Void (coal mine, karst, other): None Anticipated

17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes ☐ No ☒

(a) If Yes, provide Mine Info: Name: _____
Depth: _____
Seam: _____
Owner: _____

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18)

CASING AND TUBING PROGRAM

TYPE	<u>Size (in)</u>	<u>New or Used</u>	<u>Grade</u>	<u>Weight per ft. (lb/ft)</u>	<u>FOOTAGE: For Drilling (ft)</u>	<u>INTERVALS: Left in Well (ft)</u>	<u>CEMENT: Fill-up (Cu. Ft.)/CTS</u>
Conductor	24.0	New	LS	94.0	80' GL	80' GL	77 - CTS
Fresh Water/Coal	18.625	New	H40	97.5	1,210' KB / 1,189' GL	1,210' KB / 1,189' GL	2,085 - CTS
Intermediate 1	13.375	New	J55	54.5	2,240'	2,240'	Lead-1,390 Tail-550 CTS
Intermediate 2	9.625	New	P110	53.5	8,390'	8,390'	Lead-2,295 Tail-439 TOC @ 1,480'
Production	5.5	New	P110	26.0		18,060	3,282 - TOC @ 5,890'
Tubing							
Liners							

Note: The Fresh Water/Coal casing setting depth is just above Sea Level. At no time will the casing be set below Sea Level. This setting depth is due to sloughing formation below the deepest coal seam.

DMA 5-4-15

TYPE	<u>Size (in)</u>	<u>Wellbore Diameter (in)</u>	<u>Wall Thickness (in)</u>	<u>Burst Pressure (psi)</u>	<u>Anticipated Max. Internal Pressure (psi)</u>	<u>Cement Type</u>	<u>Cement Yield (cu. ft./k)</u>
Conductor	24.0	26.0	0.375	1,180	944	Type 1	1.18
Fresh Water/Coal	18.625	22.0	0.435	1,630	1,304	HalCem	1.198
Intermediate 1	13.375	17.5	0.380	2,730	2,184	HalCem	Lead-1.198 Tail-1.223
Intermediate 2	9.625	12.25	0.545	10,900	8,720	HalCem	Lead-2.98 Tail-1.29
Production	5.5	8.75	0.361	14,520	11,616	VariCem	1.22
Tubing							
Liners							

PACKERS

Kind:	TAM CAP Inflatable			
Sizes:	13.375"			
Depths Set:	1,000'			

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19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

Drilling will consist of the use of three rigs. First a conductor rig will be MIRU to set and cement 24.0" conductor back to surface. RDMO conductor rig. The second rig (Top Hole) will be MIRU and it will drill and cement back to surface both the 18.625" and 13.375" casing strings. It will then drill the 12.25" hole to just above the Salina Salt formation. The well will be loaded from TD to surface with 3-6% KCl fluid and a gyro run inside of the drill string to TD to obtain well bore placement. RDMO Top Hole Rig. MIRU Horizontal Rig to finish drilling the 12.25" hole section and setting the 9.625" casing and cementing to ~1,000' inside the 13.375" casing. The well will then be directionally drilled to TD, 5.5" production casing run and cemented back to 2,500 inside the 9.625" casing string. After the installation of the night cap the Rig will then skid to the next pad well or move to a new location/pad.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

Stimulation will begin by MIRU of coil tubing unit or service rig. The 5.5" casing is then cleaned out to the PBTD and a CBL is then run to approximately 30-60 degrees in the curve and pulled to surface. The next step is to perforate the toe stage. A stimulation company is then MIRU and the toe stage is fractured. Anticipated pressures is 9,000 psi with between 85 & 90 bmp pump rate. Each subsequent stage is then perforated after a pump down frac plug is set and the stage is perforated. After all stages are completed the well is SI and the stimulation company is RDMO. A coil tubing unit or service rig with snubbing unit is then MIRU and the frac plugs are drilled out and the 5.5" casing cleared to the PBTD. The rig is then RDMO and a flow back crew is RU to flow back the free water to frac tanks. Once well begins to gas it is either flared or placed in line through a separator and produced. The well is next turned over to production and the flow back crew is RDMO.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 21.6

22) Area to be disturbed for well pad only, less access road (acres): 7.2

23) Describe centralizer placement for each casing string:

DMH 5-4-15

The fresh water/coal string will incorporate the use use of bow spring centralizers beginning generally on joint 2 to surface on every third joint. The intermediate strings 1 & 2 will incorporate bow spring centralizers with one on joint 2 and then every fourth joint to surface. The production string will use alternating left and right rigid spiral centralizers beginning on joint 2 and then every fourth joint to the pup joint 100' above the KOP. From there bow spring centralizers will be used on every third joint from the KOP to TOC.

24) Describe all cement additives associated with each cement type:

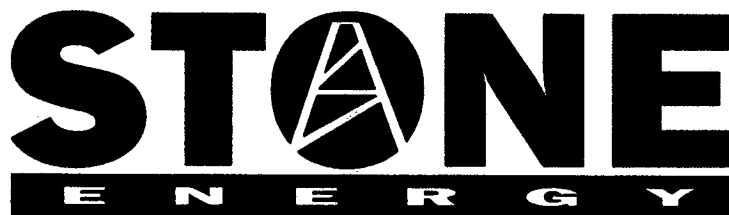
Fresh water/coal string and intermediate strings 1 & 2 will be cemented using HalCem which is a Class "A" cement with 0.25 pps Pol-E-Flake with up to 2% CaCl. The production string will be cemented with VariCem which is a Class "A" that can be mixed at different weights.

25) Proposed borehole conditioning procedures:

-The 20.0" and 17.5" hole sections will be conditioned using air and/or soap until cuttings are removed from the well bore.
-The 12.25" section will be conditioned using air and/or stiff foam until cuttings have been removed from the well bore.
-The 8.75" section will be conditioned with a minimum of three bottoms up of drilling fluid (mud) and the shakers screens are clear of cuttings.

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*Note: Attach additional sheets as needed.



WW-9 ADDENDUM

Drilling Medium Anticipated for This well

- Vertical section of well bore, down to KOP, will be drilled on air and/or a combination of air and drilling soap.
- From KOP through the curve section and horizontal section of well bore will be drilled on a brine-water based mud system.

Additives to be Used While Drilling

- Common additives when air drilling: KCl (CAS No. 1302-78-9 & 14808-60-7), soda ash (CAS No. 497-19-8), shale stabilizer (CAS No. 67-48-1 & 7732-1835), drilling soap (CAS No. 111-76-2), air hammer/motor lubricant.
- Common water based additives for mud drilling: NaCl (CAS No. 7647-14-5), KCl (CAS No. 7447-40-7), barite (CAS No. 13462-86-7 & 14808-60-7), starch (CAS No. 9005-25-8), PAC (CAS No. 9004-32-4), xanthum gum (CAS No. 11138-66-2), PHPA (CAS No. 64742-47-8), polysaccharide (CAS No. 11138-66-2), sulfonated asphaltic material (CAS No. 269-212-0 & 238-878-4), aluminum silicate (CAS No. 37287-16-4), gilsonite (CAS No. 12002-43-6), graphite (CAS No. 14808-60-7 & 7782-42-5), shale stabilizer (CAS No. 67-48-1 & 7732-18-5), fluid loss control polymers (CAS No. 9004-34-6), viscosity control polymers (CAS No. 11138-66-2 & 107-22-2), soda ash (CAS No. 497-19-8), sodium bicarbonate (CAS No. 144-55-8), NaOH (CAS No. 1310-73-2, 7647-14-5, & 7732-18-5), lime (CAS No. 1305-62-0), gypsum (CAS No. 778-18-9), citric acid (CAS No. 77-92-9), biocide (CAS No. 52-51-7 or 7732-18-5 + 67-56-1 + 141-43-5), CaCO₃ (CAS No. 471-34-1), cellulose fibers (CAS No. 14808-60-7), nut plug (CAS No. 9004-34-6 & 14808-60-7), cross-linking polymers (CAS No. 107-22-2 & 11138-66-2), other LCMs, surfactants (CAS No. 64-17-5), ROP enhancer/lubricant (CAS No. 8002-13-9), beads, corrosion inhibitor (CAS No. 7732-18-5), aluminum stearate (CAS No. 300-92-5), defoamer (CAS No. 246-771-9).

MSDS are available upon request.

DMH
2-27-15

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WW-9 ADDENDUM

Drill Cuttings Disposal Method

- Closed loop drilling system will be incorporated. No waste pits will be constructed. All drill cuttings are put through a drier system and hauled to and disposed of at approved and permitted landfills.

Landfills or Offsite Names and Permit Numbers

Wetzel County Sanitary Landfill
Rt. 1, Box 156A
New Martinsville, WV 26155
SWF-1021 / WV01909185

Brooke County Sanitary Landfill
Colliers, WV 26035
SWF-1013 / WV0109029

DMA
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Well: Erlwine #12HU
State: West Virginia
County: Wetzel
District: Proctor
Prospect: Mary

Location: Surface: Lat = 39.683614° N & Long = 80.796997° W / (N) 4,392,651' (E) 517,408' (UTM - NAD83, Zone 17)
Permitted BHL: Lat = 39.666548° N & Long = 80.787137° W / (N) 4,390,770' (E) 518,258' (UTM - NAD83, Zone 17)
Proposed TD: 18060' MD / 11360' TVD

PROPOSED HORIZONTAL

Revision: 23-Feb-15

Permit Number: 47-103-
Permit Issued:
Post Construction Ground Elevation: 1212'
Kelly Bushing: 21'
Rig:
Spud Date:
TD Date:
Rig Release Date:

HOLE SIZE	PILOT HOLE FORMATION TOPS	WELLBORE DIAGRAM	CASING & CEMENTING DATA DIRECTIONAL DATA	MW & FLUID TYPE	HOLE DEV
Pre-Set Conductor	101' KB (80' BGL)		CONDUCTOR PIPE 24" x 3/8" wall L/S PE @ 101' (set in bedrock & grouted to surface)		Vertical
22" Hole (Hammer)	Shallowest FW 110' TVD Coal 835' TVD Pittsburgh Coal 865' TVD Deepest FW 870' TVD 1210' TVD		SURFACE CASING 18-5/8" 87.5# H-40 STC @ 1210' MD/TVD - 1189' GL Set through fresh water zones Set through coal zones Cemented to surface	Air / Mist	Vertical
17-1/2" Hole (Hammer)	RED BEDS Shallowest SW 1596' TVD Little Lime 1921' TVD Big Lime 1951' TVD Big Injun Sandstone 1981' TVD Base of Big Injun 2081' TVD 2240' TVD		1st INTERMEDIATE CASING 13-3/8" 54.5# J-55 STC @ 2240' MD/TVD Set through potential salt water zones Set below base of Big Injun Cemented to surface	Air / Dust	Vertical
12-1/4" Hole (Hammer)	Weir 2431' TVD Berea Sandstone 2631' TVD Gordon Sandstone 2881' TVD Elizabeth 3571' TVD Warren Shale 3641' TVD Benson Shale 4511' TVD Alexander Shale 4771' TVD Rhinstreet Shale 5851' TVD Cashaqua 6301' TVD Middlesex Shale 6341' TVD West River Shale 6361' TVD Genesee Shale 6411' TVD Tully Limestone 6441' TVD Hamilton Shale 6471' TVD Marcellus Shale 6501' TVD Onondaga Limestone 6551' TVD Huntersville Chert 6571' TVD Oriskany Sandstone 6796' TVD Helderberg Limestone 6866' TVD Bass Island Dolomite 7126' TVD Salina Salt 7366' TVD Newburg Dolomite 8236' TVD 8390' TVD		2nd INTERMEDIATE CASING 9-5/8" 53.5# P-110 LTC @ 8390' MD/TVD Set through Salina salt Cemented to 1410'	Air / Dust	Vertical
8-1/2" Hole to Pilot Hole TD (Hammer / Insert Bits)	Keefer Sandstone 8551' TVD Niagran/Rose Hill 8641' TVD Packer Shell Limestone 8956' TVD Clinton/Tuscarora SS 9126' TVD Queenston/Junita 9266' TVD Martinsburg/Reedsville 10041' TVD		KOP @ 10579' MD/TVD		Vertical
8-1/2" Hole from KOP to LP (PDC / Insert Bits)	Utica Shale 11016' TVD			SBM in Curve	
8-1/2" Hole in Lateral (PDC)	Point Pleasant 11256' TVD Trenton Limestone 11366' TVD		Landing Point (LP) @ 11998' MD / 11300' TVD ~89.5° angle ~145° azimuth	SBM in Lateral	~89.5°
Notes: Formation tops as per vertical pilot hole Curve & lateral tops will vary due to structural changes Directional plan based upon best estimate of structure		TD @ 18060' MD / 11360' TVD PRODUCTION CASING 5-1/2" 23.0# P-110 Premium Conn @ 18060' MD Top of Cement @ ~5890' (2500' inside 9-5/8")			

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MAY 07 2015

ERLEWINE #12HU

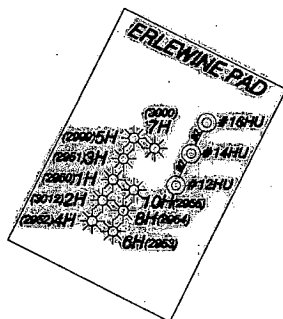
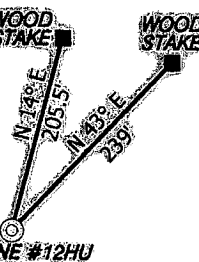
(SEE PAGE 2 OF 2 FOR PLAT)

ERLEWINE #12HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE-NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 433070 (E) 1634932	80.86344 80.78717	4330261 617408

ERLEWINE #12HU LANDING POINT		
STATE PLANE COORDINATES NORTH ZONE-NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 432306 (E) 1634175	80.87283 80.79280	4322280 617185

ERLEWINE #12HU BOTTOM HOLE		
STATE PLANE COORDINATES NORTH ZONE-NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 427452 (E) 1637818	80.88547 80.78731	4300770 618258

ERLEWINE #12HU			
TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	ERLEWINE	185.0±	72.6±
B	SEA CONSTRUCTION, INC.	63.0±	9.0±
C	GREEN ESTATES, INC.	5.0±	5.0±
D	GREEN ESTATES, INC.	17.876±	3.4±
E	GREEN ESTATES, INC.	23.6±	3.0±
F	MARY JO BLUNTON	76.78±	34.4±
G	GREEN ESTATES, INC.	30.5±	30.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAKER MATERIALS SCIENCE LLC	4.0±	3.6±
J	BAKER MATERIALS SCIENCE LLC	88.8±	64.8±
K	GLADYS ANTHONY	28.5±	21.7±
L	ANTHONY RESOURCES	25.0±	5.2±
M	APPALACHIAN CORPORATION	23.0±	3.0±
N	ANTHONY RESOURCES	76.0±	3.6±
O	ROXANNA YOST HAYES	20.0±	20.0±
P	WANDA R. SPRIGGSON	80.38±	78.6±
Q	BALCOM O. HALL'S TRUST L. HALL	66.0±	2.3±
R	SIMON L. HENTON	1.85±	1.05±
S	WUTH E. BLAKE	124.0±	40.8±
T	WUTH E. BLAKE	14.6±	14.6±
U	GASTON EXPLORATION USA, INC.	42.0±	7.1±
V	ROGER J. POWELL & DONALD G. FORELL	10.9±	9.0±
W	PETER G. STANBURY	128.9±	1.3±
X	STON PRODUCTION COMPANY, LLC	88.82±	6.6±
		UNIT TOTAL	487.85±

**REFERENCES****NOTES ON SURVEY**

- NO DWELLINGS WITHIN 625' WERE FOUND.
- NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
- TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WY NORTH ZONE '27.
- WELL LAT./LONG. ESTABLISHED BY SC-GPS(OPUS).
- SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
- WELLS SHOWN ARE TAKEN FROM RECORDS OF WYDEP.
- APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5280'.
- VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
- THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

DOYLE HUPP JR.
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 20 15OPERATORS WELL NO. ERLEWINE #12HU

API
WELL NO. 47-103-03114
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SG-GPS (OPUS) SCALE 1" = 1000'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL GAS X LIQUID WASTE IF
INJECTION DISPOSAL "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION :
ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK
DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±
ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK :
LEASE NO.
DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD
FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT
ESTIMATED DEPTH IVD-11,360' MD-18,060'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCCREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

COUNTY NAME

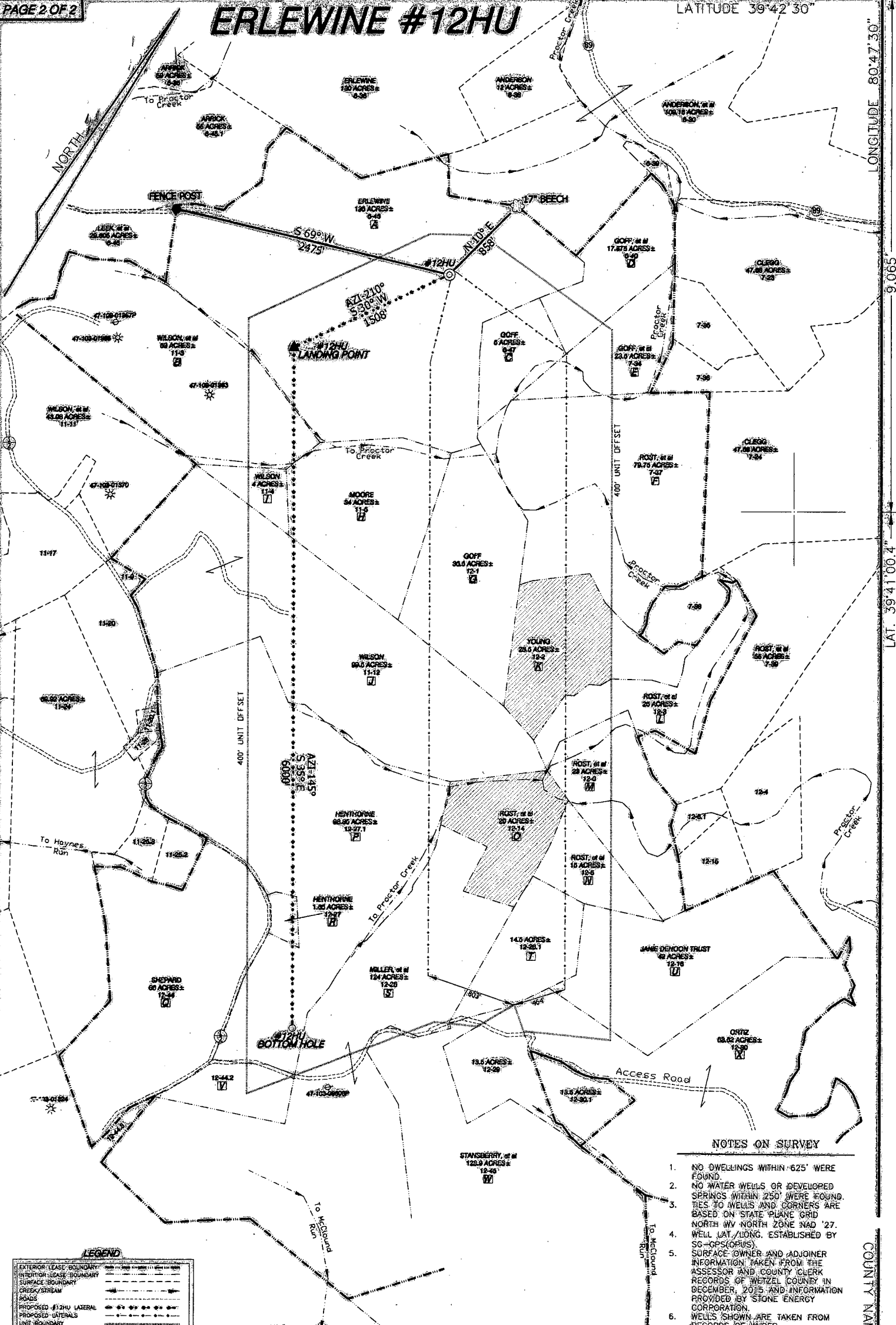
PERMIT

ERLEWINE #12HU

LATITUDE 39°42'30"

LONGITUDE 80°47'30"

LAT. 39°41'00.4"



LEGEND

EXTERIOR (LEASE) BOUNDARY	---
INTERIOR (LEASE) BOUNDARY	---
SURFACE BOUNDARY	---
CREEK/STREAM	---
ROADS	---
PROPOSED #12HU LATERAL	---
PROPOSED UTERALS	---
UNIT BOUNDARY	---
UNIT TRACT	---
PERMITTED WELL	---
ROAD/ROUTE NUMBER	---
FORCED POOLING	---

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. RES. TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SG-OPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR THE OBJECTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

API WELL NO. 47-103-03114
STATE COUNTY PERMIT
DATE APRIL 27, 2015
OPERATORS WELL NO. ERLEWINE #12HU

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCCREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR. SUITE 201 MORGANTOWN, WV 26508

COUNTY NAME PERMIT



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Debra Lynn Oates
Route 1 Box 68
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

Dear Ms. Oates:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

George and Belinda Burton heirs
4431 Scissortail Loop
Westerville, OH 43981

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

Dear Burton heirs:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Lois M Headley
RD 4 Box 333B Apt C5
Moundsville, WV 26041

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

Dear Ms. Headley:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Emily Rachael Smith
RD 4 Box 333B Apt C5
Moundsville, WV 26041

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

Dear Ms. Smith:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Amber Marie Headley
RD 4 Box 333B Apt C5
Moundsville, WV 26041

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

Dear Ms. Headley:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Stephen Justin Headley
RD 4 Box 333B Apt C5
Moundsville, WV 26041

RE: Intentional Deviation of New Deep Well - Erlewine 12HU

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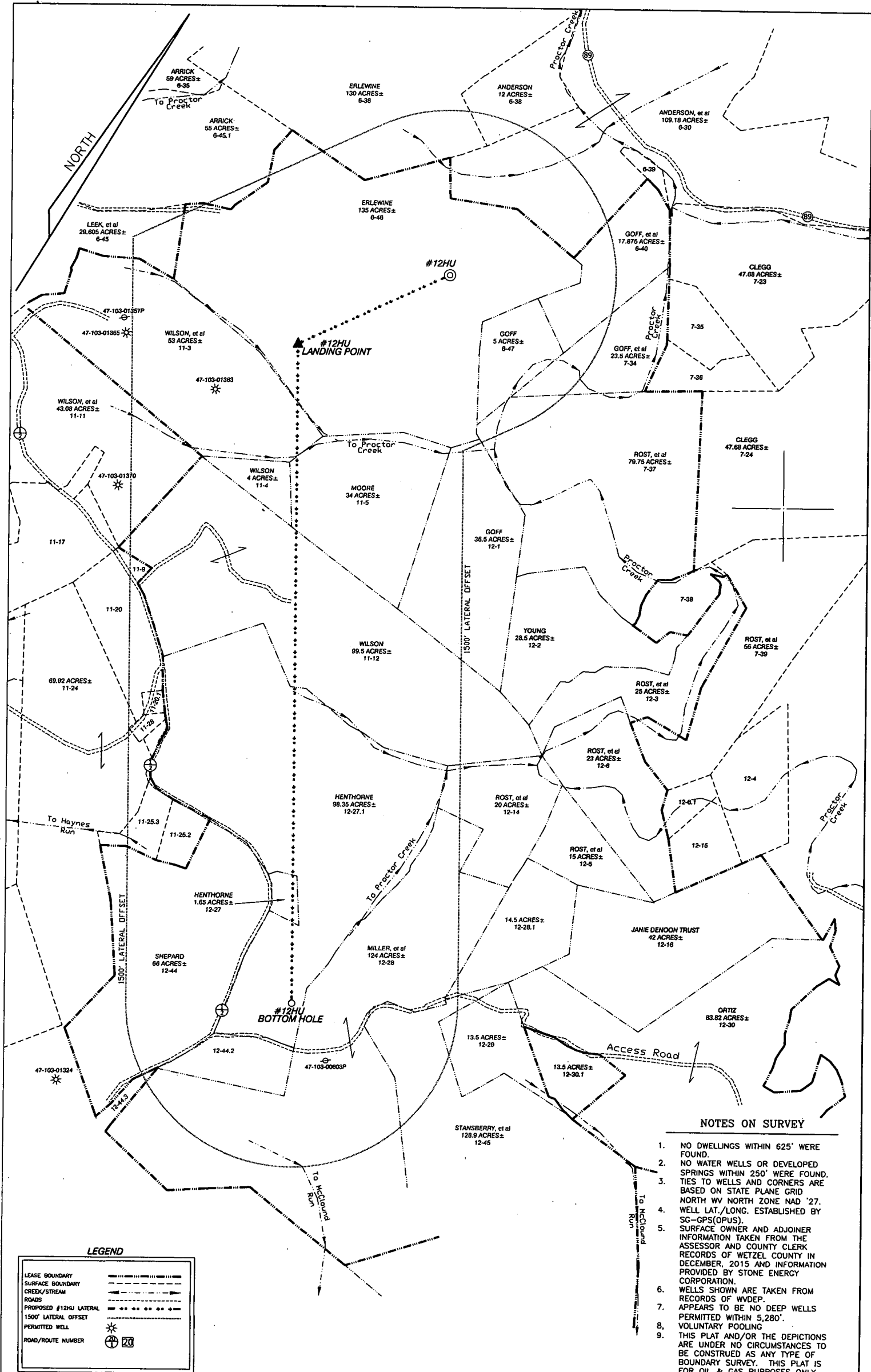
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Cindy Raines
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NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WVDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING.
9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

LEGEND

LEASE BOUNDARY	---
SURFACE BOUNDARY	---
CREEK/STREAM	~ ~ ~
ROADS	==
PROPOSED #12HU LATERAL	---x---
1500' LATERAL OFFSET	---o---
PERMITTED WELL	⊗
ROAD/ROUTE NUMBER	⊕ 20

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

ERLEWINE #12HU OFFSET MAP

STONE ENERGY CORPORATION
P.O. Box 647 LAFAYETTE, LA 70508

Exhibit C
Offset Operators Within 1500' of Entire Wellbore

Erlewine 12 HU

District	Tax Map	Parcel	Lessee/Unleased Owner	Address
12	11	20.1	Debra Lynn Oates	Rt. 1 Box 68 New Martinsville, WV 26155 ✓
12	11	20.1	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981 ✓
12	11	25.2	Lois M. Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Emily Rachael Smith	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Amber Marie Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Stephen Justin Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	28	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	14	Susan Rosier	Out of country/unknown
12	12	14	Lewis F. Arman Heirs	Unknown
12	12	14	Susan F. Dotson heirs	Unknown
12	12	14	Thomas Arman heirs	Unknown
12	12	14	Fred Arman heirs	Unknown
12	12	14	Ruben (Reuben) Arman heirs	Unknown
12	12	14	B.W. (Byron) Arman heirs	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	6	40	Ethel Anderson Heirs	Unknown
12	11	11	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	20	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	24	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	25.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	9	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	47	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

WW-6B
(04/15)

API NO. 47- 103 -
OPERATOR WELL NO. #14HU
Well Pad Name: Erlewine

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator: Stone Energy Corporation	494490923	Wetzel	Proctor	New Martinsville
	Operator ID	County	District	Quadrangle

2) Operator's Well Number: #14HU Well Pad Name: Erlewine

3) Farm Name/Surface Owner: Erlewine, Richard Public Road Access: Wetzel County Route 1/2

4) Elevation, current ground: 1,222' Elevation, proposed post-construction: 1,212'

5) Well Type (a) Gas ☒ Oil ☐ Underground Storage ☐
Other ☐
(b) If Gas Shallow ☐ Deep ☒
Horizontal ☒

6) Existing Pad: Yes or No Yes DH 4
5-4-15

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Expected Pressure(s):
The well will target the Utica/Point Pleasant formations @ 11,270' TVD (-10,058' SS), 350' thick w/ RP = 9,200 - 9,700 psig.

8) Proposed Total Vertical Depth: 11,350'

9) Formation at Total Vertical Depth: Utica/Point Pleasant

10) Proposed Total Measured Depth: 17,280'

11) Proposed Horizontal Leg Length: 5,482' from the LP & 6,701' from the KOP

12) Approximate Fresh Water Strata Depths: 110', 290', 330' and 870'

13) Method to Determine Fresh Water Depths: When having to soap wellbore or show of fluid at end of flow line

14) Approximate Saltwater Depths: 1,575', 1,610' and 2,190'

15) Approximate Coal Seam Depths: 835' and 865'

16) Approximate Depth to Possible Void (coal mine, karst, other): None Anticipated

17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes ☐ No ☒

(a) If Yes, provide Mine Info: Name: _____
Depth: _____
Seam: _____
Owner: _____

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MAY 07 2015

WW-6B
(04/15)

API NO. 47- 103
OPERATOR WELL NO. #14HU
Well Pad Name: Erlwine

18)

CASING AND TUBING PROGRAM

TYPE	Size (in)	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling (ft)	INTERVALS: Left in Well (ft)	CEMENT: Fill-up (Cu. Ft.)/CTS
Conductor	24.0	New	LS	94.0	80' GL	80' GL	77 - CTS
Fresh Water/Coal	18.625	New	H40	97.5	1,210' KB / 1,189' GL	1,210' KB / 1,189' GL	2,085 - CTS
Intermediate 1	13.375	New	J55	54.5	2,240'	2,240'	Lead-1,390 Tail-550 CTS
Intermediate 2	9.625	New	P110	53.5	8,390'	8,390'	Lead-2,295 Tail-439 TOC @ 1,480'
Production	5.5	New	P110	26.0		17,280	3,062 - TOC @ 5,890'
Tubing							
Liners							

Note: The Fresh Water/Coal casing setting depth is just above Sea Level. At no time will the casing be set below Sea Level. This setting depth is due to sloughing formation below the deepest coal seam.

DMH
5-4-15

TYPE	Size (in)	Wellbore Diameter (in)	Wall Thickness (in)	Burst Pressure (psi)	Anticipated Max. Internal Pressure (psi)	Cement Type	Cement Yield (cu. ft./k)
Conductor	24.0	26.0	0.375	1,180	944	Type 1	1.18
Fresh Water/Coal	18.625	22.0	0.435	1,630	1,304	HalCem	1.198
Intermediate 1	13.375	17.5	0.380	2,730	2,184	HalCem	Lead-1.198 Tail-1.223
Intermediate 2	9.625	12.25	0.545	10,900	8,720	HalCem	Lead-2.98 Tail-1.29
Production	5.5	8.75	0.361	14,520	11,616	VariCem	1.22
Tubing							
Liners							

PACKERS

Kind:	TAM CAP Inflatable			
Sizes:	13.375"			
Depths Set:	1,000'			

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WW-6B
(10/14)

API NO. 47- 103 -
OPERATOR WELL NO. #14HU
Well Pad Name: Erlwine

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

Drilling will consist of the use of three rigs. First a conductor rig will be MIRU to set and cement 24.0" conductor back to surface. RDMO conductor rig. The second rig (Top Hole) will be MIRU and it will drill and cement back to surface both the 18.625" and 13.375" casing strings. It will then drill the 12.25" hole to just above the Salina Salt formation. The well will be loaded from TD to surface with 3-6% KCl fluid and a gyro run inside of the drill string to TD to obtain well bore placement. RDMO Top Hole Rig. MIRU Horizontal Rig to finish drilling the 12.25" hole section and setting the 9.625" casing and cementing to ~1,000' inside the 13.375" casing. The well will then be directionally drilled to TD, 5.5" production casing run and cemented back to 2,500 inside the 9.625" casing string. After the installation of the night cap the Rig will then skid to the next pad well or move to a new location/pad.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

Stimulation will begin by MIRU of coil tubing unit or service rig. The 5.5" casing is then cleaned out to the PBTD and a CBL is then run to approximately 30-60 degrees in the curve and pulled to surface. The next step is to perforate the toe stage. A stimulation company is then MIRU and the toe stage is fractured. Anticipated pressures is 9,000 psi with between 85 & 90 bmp pump rate. Each subsequent stage is then perforated after a pump down frac plug is set and the stage is perforated. After all stages are completed the well is SI and the stimulation company is RDMO. A coil tubing unit or service rig with snubbing unit is then MIRU and the frac plugs are drilled out and the 5.5" casing cleared to the PBTD. The rig is then RDMO and a flow back crew is RU to flow back the free water to frac tanks. Once well begins to gas it is either flared or placed in line through a separator and produced. The well is next turned over to production and the flow back crew is RDMO.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 21.6

22) Area to be disturbed for well pad only, less access road (acres): 7.2

23) Describe centralizer placement for each casing string: DMH 5-4-15

The fresh water/coal string will incorporate the use of bow spring centralizers beginning generally on joint 2 to surface on every third joint. The intermediate strings 1 & 2 will incorporate bow spring centralizers with one on joint 2 and then every fourth joint to surface. The production string will use alternating left and right rigid spiral centralizers beginning on joint 2 and then every fourth joint to the pup joint 100' above the KOP. From there bow spring centralizers will be used on every third joint from the KOP to TOC.

24) Describe all cement additives associated with each cement type:

Fresh water/coal string and intermediate strings 1 & 2 will be cemented using HalCem which is a Class "A" cement with 0.25 pps Pol-E-Flake with up to 2% CaCl. The production string will be cemented with VariCem which is a Class "A" that can be mixed at different weights.

25) Proposed borehole conditioning procedures:

-The 20.0" and 17.5" hole sections will be conditioned using air and/or soap until cuttings are removed from the well bore.
-The 12.25" section will be conditioned using air and/or stiff foam until cuttings have been removed from the well bore.
-The 8.75" section will be conditioned with a minimum of three bottoms up of drilling fluid (mud) and the shakers screens are clear of cuttings.

*Note: Attach additional sheets as needed.

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MAY 07 2015



WW-9 ADDENDUM

Drilling Medium Anticipated for This well

- Vertical section of well bore, down to KOP, will be drilled on air and/or a combination of air and drilling soap.
- From KOP through the curve section and horizontal section of well bore will be drilled on a brine-water based mud system.

Additives to be Used While Drilling

- Common additives when air drilling: KCl (CAS No. 1302-78-9 & 14808-60-7), soda ash (CAS No. 497-19-8), shale stabilizer (CAS No. 67-48-1 & 7732-1835), drilling soap (CAS No. 111-76-2), air hammer/motor lubricant.
- Common water based additives for mud drilling: NaCl (CAS No. 7647-14-5), KCl (CAS No. 7447-40-7), barite (CAS No. 13462-86-7 & 14808-60-7), starch (CAS No. 9005-25-8), PAC (CAS No. 9004-32-4), xanthum gum (CAS No. 11138-66-2), PHPA (CAS No. 64742-47-8), polysaccharide (CAS No. 11138-66-2), sulfonated asphaltic material (CAS No. 269-212-0 & 238-878-4), aluminum silicate (CAS No. 37287-16-4), gilsonite (CAS No. 12002-43-6), graphite (CAS No. 14808-60-7 & 7782-42-5), shale stabilizer (CAS No. 67-48-1 & 7732-18-5), fluid loss control polymers (CAS No. 9004-34-6), viscosity control polymers (CAS No. 11138-66-2 & 107-22-2), soda ash (CAS No. 497-19-8), sodium bicarbonate (CAS No. 144-55-8), NaOH (CAS No. 1310-73-2, 7647-14-5, & 7732-18-5), lime (CAS No. 1305-62-0), gypsum (CAS No. 778-18-9), citric acid (CAS No. 77-92-9), biocide (CAS No. 52-51-7 or 7732-18-5 + 67-56-1 + 141-43-5), CaCO_3 (CAS No. 471-34-1), cellulose fibers (CAS No. 14808-60-7), nut plug (CAS No. 9004-34-6 & 14808-60-7), cross-linking polymers (CAS No. 107-22-2 & 11138-66-2), other LCMs, surfactants (CAS No. 64-17-5), ROP enhancer/lubricant (CAS No. 8002-13-9), beads, corrosion inhibitor (CAS No. 7732-18-5), aluminum stearate (CAS No. 300-92-5), defoamer (CAS No. 246-771-9).

MSDS are available upon request.

DMH
2-27-15

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MAY 07 2015



WW-9 ADDENDUM

Drill Cuttings Disposal Method

- Closed loop drilling system will be incorporated. No waste pits will be constructed. All drill cuttings are put through a drier system and hauled to and disposed of at approved and permitted landfills.

Landfills or Offsite Names and Permit Numbers

Wetzel County Sanitary Landfill
Rt. 1, Box 156A
New Martinsville, WV 26155
SWF-1021 / WV01909185

Brooke County Sanitary Landfill
Colliers, WV 26035
SWF-1013 / WV0109029

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Well: Erlwine #14HU
State: West Virginia
County: Wetzel
District: Proctor
Prospect: Mary
Location: Surface: Lat = 39.683586° N & Long = 80.796950° W / (N) 4,392,659' (E) 517,412' (UTM - NAD83, Zone 17)
Permitted BHL: Lat = 39.669496° N & Long = 80.784656° W / (N) 4,391,098' (E) 518,470' (UTM - NAD83, Zone 17)
Proposed TD: 17280' MD / 11350' TVD

PROPOSED HORIZONTAL

Revision: 23-Feb-15

Permit Number: 47-103-
Permit Issued:
Post Construction Ground Elevation: 1212'
Kelly Bushing: 21'
Rig:
Spud Date:
TD Date:
Rig Release Date:

HOLE SIZE	PILOT HOLE FORMATION TOPS	WELLBORE DIAGRAM	CASING & CEMENTING DATA DIRECTIONAL DATA	MW & FLUID TYPE	HOLE DEV.
Pre-Set Conductor	101" KB (80' BGL)		CONDUCTOR PIPE 24" x 3/8" wall L/S PE @ 101' (set in bedrock & grouted to surface)	Air / Mist	Vertical
22" Hole (Hammer)	Shallowest FW 110' TVD Coal 835' TVD Pittsburgh Coal 865' TVD Deepest FW 870' TVD 1210' TVD		SURFACE CASING 18-5/8" 87.5# H-40 STC @ 1210' MD/TVD - 1189' GL Set through fresh water zones Set through coal zones Cemented to surface	Air / Dust	Vertical
17-1/2" Hole (Hammer)	RED BEDS Shallowest SW 1596' TVD Little Lime 1921' TVD Big Lime 1951' TVD Big Injun Sandstone 1981' TVD Base of Big Injun 2081' TVD 2240' TVD		1st INTERMEDIATE CASING 13-3/8" 54.5# J-55 STC @ 2240' MD/TVD Set through potential salt water zones Set below base of Big Injun Cemented to surface	Air / Dust	Vertical
12-1/4" Hole (Hammer)	Weir 2431' TVD Berea Sandstone 2631' TVD Gordon Sandstone 2881' TVD Elizabeth 3571' TVD Warren Shale 3641' TVD Benson Shale 4511' TVD Alexander Shale 4771' TVD Rhinestreet Shale 5851' TVD Cashaqua 6301' TVD Middlesex Shale 6341' TVD West River Shale 6361' TVD Genesee Shale 6411' TVD Tully Limestone 6441' TVD Hamilton Shale 6471' TVD Marcellus Shale 6501' TVD Onondaga Limestone 6551' TVD Huntersville Chert 6571' TVD Oriskany Sandstone 6796' TVD Helderberg Limestone 6866' TVD Bass Island Dolomite 7126' TVD Salina Salt 7366' TVD Newburg Dolomite 8236' TVD 8396' TVD		2nd INTERMEDIATE CASING 9-5/8" 53.5# P-110 LTC @ 8390' MD/TVD Set through Salina salt Cemented to 1410'	Air / Dust	Vertical
8-1/2" Hole to Pilot Hole TD (Hammer / Insert Bits)	Keefer Sandstone 8551' TVD Niagran/Rose Hill 8641' TVD Packer Shell Limestone 8956' TVD Clinton/Tuscarora SS 9126' TVD Queenston/Junita 9266' TVD Martinsburg/Reedsville 10041' TVD		KOP @ 10579' MD/TVD	Air / Dust	Vertical
8-1/2" Hole from KOP to LP (PDC / Insert Bits)	Utica Shale 11016' TVD		Landing Point (LP) @ 11798' MD / 11300' TVD -89.5° angle -145° azimuth	SBM In Curve	Vertical
8-1/2" Hole in Lateral (PDC)	Point Pleasant 11256' TVD Trenton Limestone 11366' TVD		TD @ 17280' MD / 11350' TVD PRODUCTION CASING 5-1/2" 23.0# P-110 Premium Conn @ 17280' MD Top of Cement @ ~5890' (2500' inside 9-5/8")	SBM in Lateral	~89.5°

Notes: Formation tops as per vertical pilot hole
Curve & lateral tops will vary due to structural changes
Directional plan based upon best estimate of structure

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March 7 2015

ERLEWINE #14HU

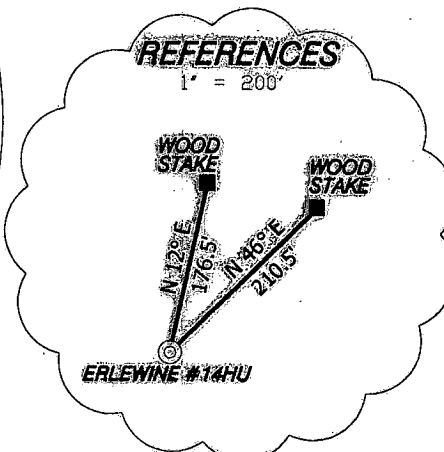
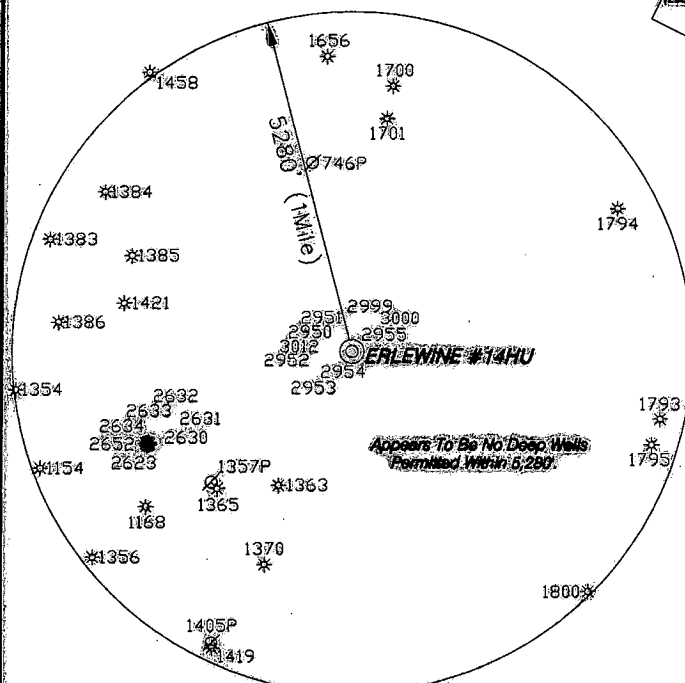
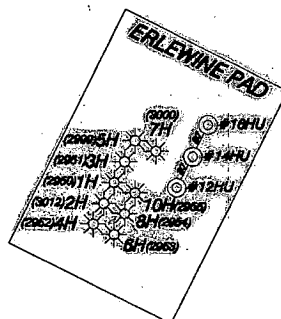
(SEE PAGE 2 OF 2 FOR PLAT)

ERLEWINE #14HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 433097 (E) 1834046	L & L DECIMAL NAD 27 38.98351 80.79713	UTM (NAD 83) ZONE 17 METERS 4302659 617412

ERLEWINE #14HU LANDING POINT	
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 433040 (E) 1830234	L & L DECIMAL NAD 27 38.98140 80.79890
UTM (NAD 83) ZONE 17 METERS 4302432 617604	

ERLEWINE #14HU BOTTOM HOLE	
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 428617 (E) 1838332	L & L DECIMAL NAD 27 38.98042 80.78463
UTM (NAD 83) ZONE 17 METERS 4301088 618470	

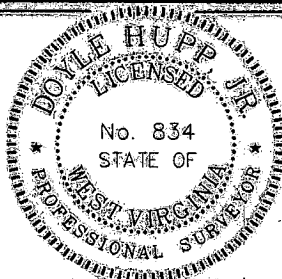
ERLEWINE #14HU			
TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	RICHARD L. ERLEWINE	135.0±	72.0±
B	WCH CONSTRUCTION, INC.	63.0±	6.6±
C	SHEN ESTATES, INC.	6.0±	6.0±
D	SHEN ESTATES, INC.	17.875±	3.4±
E	SHEN ESTATES, INC.	23.5±	6.9±
F	MARY JO BURTON	70.75±	34.4±
G	SHEN ESTATES, INC.	36.8±	35.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAYER MATERIALS SCIENCE LLC	4.0±	3.8±
J	BAYER MATERIALS SCIENCE LLC	25.8±	64.8±
K	GLADYS ANTHONY	26.5±	21.7±
L	ANTERO RESOURCES	25.0±	6.3±
M	ANTERO RESOURCES	22.0±	8.8±
N	ANTERO RESOURCES	18.0±	8.0±
O	RODANNA POST-PAVER	20.0±	20.0±
P	WANDA R. SPRINGSTON	60.35±	78.0±
Q	MALCOLM D. HILL & TRONN L. HILL	60.0±	2.9±
R	SHARON L. HENTHORN	1.05±	1.65±
S	RUTH E. BLANE	124.0±	40.8±
T	RUTH E. BLANE	14.8±	14.5±
U	GASTAR EXPLORATION USA, INC.	42.0±	7.1±
V	ROSEN L. POWELL & DONALD L. ROSE POWELL	10.3±	2.0±
W	PETER G. STANBURY	128.9±	1.9±
X	STON PRODUCTION COMPANY, LLC	83.65±	6.0±
		UNIT TOTAL	487.85±



NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH-WY NORTH ZONE NAD 27.
4. WELL LAT/LONG ESTABLISHED BY SG-GPS (OPUS).
5. SURFACE TOWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WYDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING FOR ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT (AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834DOYLE HUPP, JR.
HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: dhupp@frontiernet.net

(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 2015

OPERATORS WELL NO. ERLEWINE #14HU

API
WELL NO. 47-103-03115
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SCALE 1" = 1000'
SG-GPS (OPUS)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GASWELL TYPE: OIL GAS X LIQUID WASTE IF
INJECTION DISPOSAL "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION: ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK

DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK: LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT

ESTIMATED DEPTH TWD-11,350' MD-17,280'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT HIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

COUNTY NAME

PERMIT

ERLEWINE #14HU

LONG. 80°47'49.7" 1.520'

LATITUDE 39°42'30"

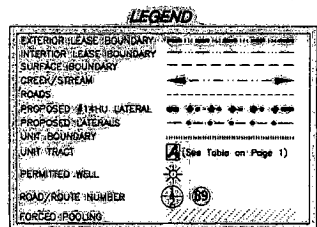
LONGITUDE 80°47'30"

9.040'

LAT. 39°41'00.6"

COUNTY NAME

PERMIT



HUPP Surveying & Mapping
P.O. Box 647, Grantsville, WV 26147
(304) 354-7035 EMAIL: huppsurveying@earthlink.net

API	47-103-03115		
WELL NO.	STATE	COUNTY	PERMIT
DATE	APRIL 27, 2015		
OPERATORS WELL NO.		ERLEWINE #14HU	

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT/LONG ESTABLISHED BY SCGPS (OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WVDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

WELL OPERATOR STONE ENERGY CORPORATION

DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508

ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORCANTOWN, WV 26506



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Cynthia Smith
Route 1 Box 189 S
Keyser, WV 26726

RE: Intentional Deviation of New Deep Well - Erlewine 14HU

Dear Ms. Smith:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Bryan R Hoskins
5080 Likini Street #315
Honolulu, HI 96818

RE: Intentional Deviation of New Deep Well - Erlewine 14HU

Dear Mr. Hoskins:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

SWN Production Company LLC
10000 Energy Drive
Spring, TX 77389

RE: Intentional Deviation of New Deep Well - Erlewine 14HU

Dear Sir:

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Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

StatOil USA Onshore Properties
2103 Citywest Boulevard, Suite 800
Houston, TX 77389

RE: Intentional Deviation of New Deep Well - Erlewine 14HU

Dear Sir:

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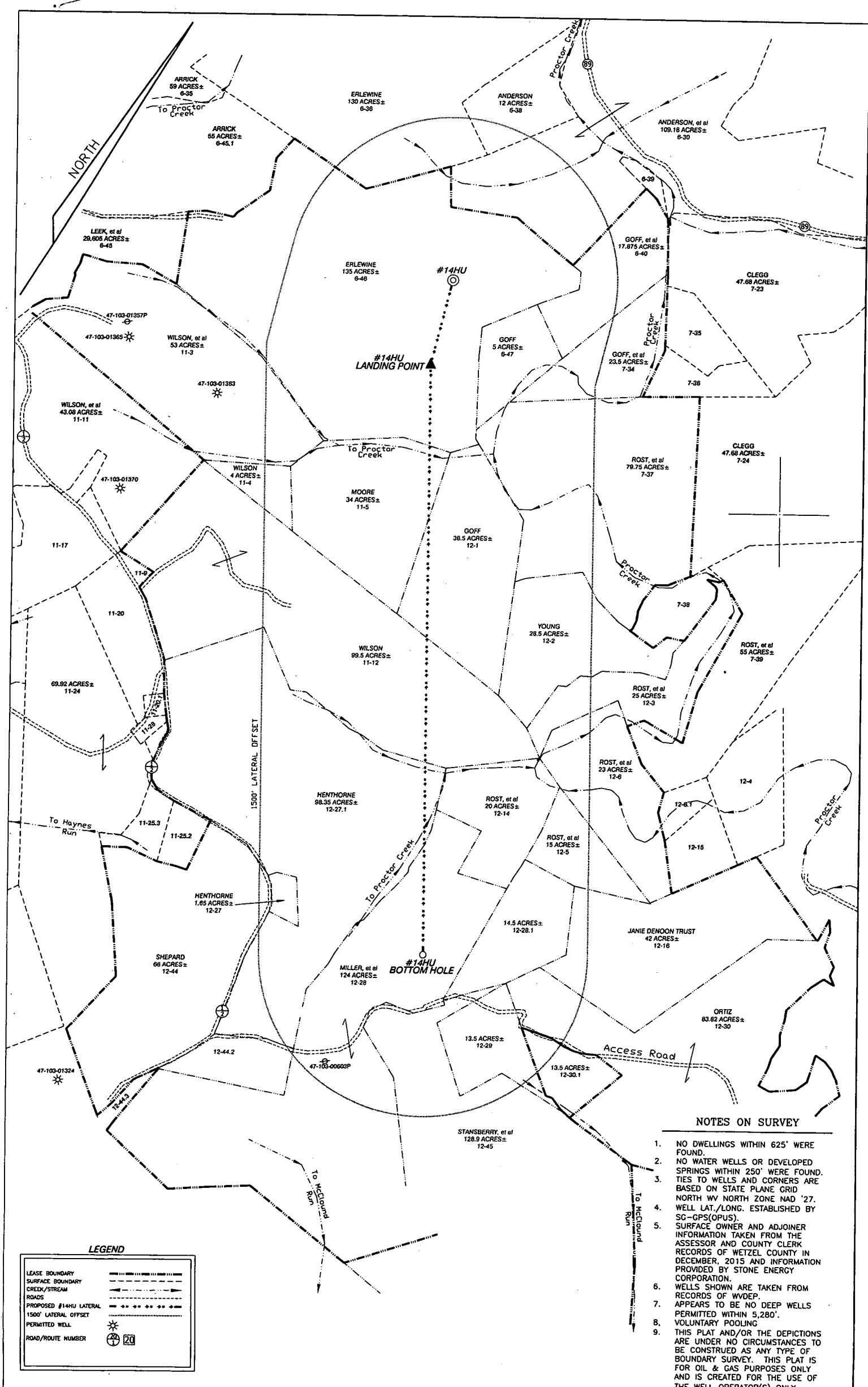
If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



LEGEND

LEASE BOUNDARY	---
SURFACE BOUNDARY	---
CREEK/STREAM	---
ROADS	---
PROPOSED #14HU LATERAL	---
1500' LATERAL OFFSET	---
PERMITTED WELL	⊙
ROAD/ROUTE NUMBER	20

NOTES ON SURVEY

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6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WVDEP.
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8. VOLUNTARY POOLING
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12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

Erlewine 14 HU

District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	2	Leona Bower	Unknown
12	12	2	Carolyn Shinn heirs	Unknown
12	12	2	Cynthia Smith	Rt. 1 Box 189 S. Keyser, WV 26726 ✓
12	12	2	Kelly Dalton	Unknown
12	12	2	Kristin Shahan	Unknown
12	12	2	Meredith Smith, Jr.	Unknown
12	12	2	Bryan R. Hoskins	5080 Likini Street #315 Honolulu, HI 96818 ✓
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389 ✓
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042 ✓
12	11	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	4	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	6	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	40	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	16	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

WW-6B
(04/15)

API NO. 47- 103 -
OPERATOR WELL NO. #16HU
Well Pad Name: Erlewine

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS
WELL WORK PERMIT APPLICATION

1) Well Operator: <u>Stone Energy Corporation</u>	494490923	Wetzel	Proctor	New Martinsville
	Operator ID	County	District	Quadrangle

2) Operator's Well Number: #16HU Well Pad Name: Erlewine

3) Farm Name/Surface Owner: Erlewine, Richard Public Road Access: Wetzel County Route 1/2

4) Elevation, current ground: 1,222' Elevation, proposed post-construction: 1,212'

5) Well Type (a) Gas X Oil _____ Underground Storage _____
Other _____
(b) If Gas Shallow _____ Deep X
Horizontal X

6) Existing Pad: Yes or No Yes

7) Proposed Target Formation(s), Depth(s), Anticipated Thickness and Expected Pressure(s):
The well will target the Utica/Point Pleasant formations @ 11,270' TVD (-10,058' SS), 350' thick w/ RP= 9,200 - 9,700 psig.

8) Proposed Total Vertical Depth: 11,350'

9) Formation at Total Vertical Depth: Utica/Point Pleasant

10) Proposed Total Measured Depth: 18,350'

11) Proposed Horizontal Leg Length: 6,402' from the LP & 7,771' from the KOP

12) Approximate Fresh Water Strata Depths: 110', 290', 330' and 870'

13) Method to Determine Fresh Water Depths: When having to soap wellbore or show of fluid at end of flow line

14) Approximate Saltwater Depths: 1,575', 1,610' and 2,190'

15) Approximate Coal Seam Depths: 835' and 865'

16) Approximate Depth to Possible Void (coal mine, karst, other): None Anticipated

17) Does Proposed well location contain coal seams directly overlying or adjacent to an active mine? Yes _____ No _____ X

(a) If Yes, provide Mine Info: Name: _____
Depth: _____
Seam: _____
Owner: _____

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MAY 07 2015

WW-6B
(04/15)

API NO. 47- 103 -
OPERATOR WELL NO. #16HU
Well Pad Name: Erlewine

18) CASING AND TUBING PROGRAM

TYPE	Size (in)	New or Used	Grade	Weight per ft. (lb/ft)	FOOTAGE: For Drilling (ft)	INTERVALS: Left in Well (ft)	CEMENT: Fill-up (Cu. Ft.)/CTS
Conductor	24.0	New	LS	94.0	80' GL	80' GL	77 - CTS
Fresh Water/Coal	18.625	New	H40	97.5	1,210' KB / 1,189' GL	1,210' KB / 1,189' GL	2,085 - CTS
Intermediate 1	13.375	New	J55	54.5	2,240'	2,240'	Lead-1,390 Tail-550 CTS
Intermediate 2	9.625	New	P110	53.5	8,390'	8,390'	Lead-2,295 Tail-439 TOC @ 1,480'
Production	5.5	New	P110	26.0		18,350	3,355 - TOC @ 5,890'
Tubing							
Liners							

Note: The Fresh Water/Coal casing setting depth is just above Sea Level. At no time will the casing be set below Sea Level. This setting depth is due to sloughing formation below the deepest coal seam.

DMH
5-4-15

TYPE	Size (in)	Wellbore Diameter (in)	Wall Thickness (in)	Burst Pressure (psi)	Anticipated Max. Internal Pressure (psi)	Cement Type	Cement Yield (cu. ft./k)
Conductor	24.0	26.0	0.375	1,180	944	Type 1	1.18
Fresh Water/Coal	18.625	22.0	0.435	1,630	1,304	HalCem	1.198
Intermediate 1	13.375	17.5	0.380	2,730	2,184	HalCem	Lead-1.198 Tail-1.223
Intermediate 2	9.625	12.25	0.545	10,900	8,720	HalCem	Lead-2.98 Tail-1.29
Production	5.5	8.75	0.361	14,520	11,616	VariCem	1.22
Tubing							
Liners							

PACKERS

Kind:	TAM CAP Inflatable			
Sizes:	13.375"			
Depths Set:	1,000'			Received Office of

MAY 07

WW-6B
(10/14)

API NO. 47- 103 -
OPERATOR WELL NO. #16HU
Well Pad Name: Erlewine

19) Describe proposed well work, including the drilling and plugging back of any pilot hole:

Drilling will consist of the use of three rigs. First a conductor rig will be MIRU to set and cement 24.0" conductor back to surface. RDMO conductor rig. The second rig (Top Hole) will be MIRU and it will drill and cement back to surface both the 18.625" and 13.375" casing strings. It will then drill the 12.25" hole to just above the Salina Salt formation. The well will be loaded from TD to surface with 3-6% KCl fluid and a gyro run inside of the drill string to TD to obtain well bore placement. RDMO Top Hole Rig. MIRU Horizontal Rig to finish drilling the 12.25" hole section and setting the 9.625" casing and cementing to ~1,000' inside the 13.375" casing. The well will then be directionally drilled to TD, 5.5" production casing run and cemented back to 2,500 inside the 9.625" casing string. After the installation of the night cap the Rig will then skid to the next pad well or move to a new location/pad.

20) Describe fracturing/stimulating methods in detail, including anticipated max pressure and max rate:

Stimulation will begin by MIRU of coil tubing unit or service rig. The 5.5" casing is then cleaned out to the PBTD and a CBL is then run to approximately 30-60 degrees in the curve and pulled to surface. The next step is to perforate the toe stage. A stimulation company is then MIRU and the toe stage is fractured. Anticipated pressures is 9,000 psi with between 85 & 90 bmp pump rate. Each subsequent stage is then perforated after a pump down frac plug is set and the stage is perforated. After all stages are completed the well is SI and the stimulation company is RDMO. A coil tubing unit or service rig with snubbing unit is then MIRU and the frac plugs are drilled out and the 5.5" casing cleared to the PBTD. The rig is then RDMO and a flow back crew is RU to flow back the free water to frac tanks. Once well begins to gas it is either flared or placed in line through a separator and produced. The well is next turned over to production and the flow back crew is RDMO.

21) Total Area to be disturbed, including roads, stockpile area, pits, etc., (acres): 21.6

22) Area to be disturbed for well pad only, less access road (acres): 7.2

23) Describe centralizer placement for each casing string:

DmH 5-4-15

The fresh water/coal string will incorporate the use of bow spring centralizers beginning generally on joint 2 to surface on every third joint. The intermediate strings 1 & 2 will incorporate bow spring centralizers with one on joint 2 and then every fourth joint to surface. The production string will use alternating left and right rigid spiral centralizers beginning on joint 2 and then every fourth joint to the pup joint 100' above the KOP. From there bow spring centralizers will be used on every third joint from the KOP to TOC.

24) Describe all cement additives associated with each cement type:

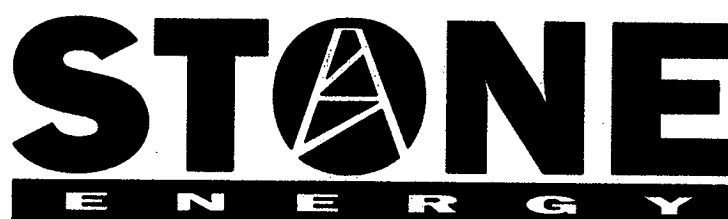
Fresh water/coal string and intermediate strings 1 & 2 will be cemented using HalCem which is a Class "A" cement with 0.25 pps Pol-E-Flake with up to 2% CaCl. The production string will be cemented with VariCem which is a Class "A" that can be mixed at different weights.

25) Proposed borehole conditioning procedures:

-The 20.0" and 17.5" hole sections will be conditioned using air and/or soap until cuttings are removed from the well bore.
-The 12.25" section will be conditioned using air and/or stiff foam until cuttings have been removed from the well bore.
-The 8.75" section will be conditioned with a minimum of three bottoms up or drilling fluid (mud) and the shakers screens are clear of cuttings.

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*Note: Attach additional sheets as needed.



WW-9 ADDENDUM

Drilling Medium Anticipated for This well

- Vertical section of well bore, down to KOP, will be drilled on air and/or a combination of air and drilling soap.
- From KOP through the curve section and horizontal section of well bore will be drilled on a brine-water based mud system.

Additives to be Used While Drilling

- Common additives when air drilling: KCl (CAS No. 1302-78-9 & 14808-60-7), soda ash (CAS No. 497-19-8), shale stabilizer (CAS No. 67-48-1 & 7732-1835), drilling soap (CAS No. 111-76-2), air hammer/motor lubricant.
- Common water based additives for mud drilling: NaCl (CAS No. 7647-14-5), KCl (CAS No. 7447-40-7), barite (CAS No. 13462-86-7 & 14808-60-7), starch (CAS No. 9005-25-8), PAC (CAS No. 9004-32-4), xanthum gum (CAS No. 11138-66-2), PHPA (CAS No. 64742-47-8), polysaccharide (CAS No. 11138-66-2), sulfonated asphaltic material (CAS No. 269-212-0 & 238-878-4), aluminum silicate (CAS No. 37287-16-4), gilsonite (CAS No. 12002-43-6), graphite (CAS No. 14808-60-7 & 7782-42-5), shale stabilizer (CAS No. 67-48-1 & 7732-18-5), fluid loss control polymers (CAS No. 9004-34-6), viscosity control polymers (CAS No. 11138-66-2 & 107-22-2), soda ash (CAS No. 497-19-8), sodium bicarbonate (CAS No. 144-55-8), NaOH (CAS No. 1310-73-2, 7647-14-5, & 7732-18-5), lime (CAS No. 1305-62-0), gypsum (CAS No. 778-18-9), citric acid (CAS No. 77-92-9), biocide (CAS No. 52-51-7 or 7732-18-5 + 67-56-1 + 141-43-5), CaCO₃ (CAS No. 471-34-1), cellulose fibers (CAS No. 14808-60-7), nut plug (CAS No. 9004-34-6 & 14808-60-7), cross-linking polymers (CAS No. 107-22-2 & 11138-66-2), other LCMs, surfactants (CAS No. 64-17-5), ROP enhancer/lubricant (CAS No. 8002-13-9), beads, corrosion inhibitor (CAS No. 7732-18-5), aluminum stearate (CAS No. 300-92-5), defoamer (CAS No. 246-771-9).

MSDS are available upon request.

DMH
2-27-15

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MAY 07 2015



WW-9 ADDENDUM

Drill Cuttings Disposal Method

- Closed loop drilling system will be incorporated. No waste pits will be constructed. All drill cuttings are put through a drier system and hauled to and disposed of at approved and permitted landfills.

Landfills or Offsite Names and Permit Numbers

Wetzel County Sanitary Landfill
Rt. 1, Box 156A
New Martinsville, WV 26155
SWF-1021 / WV01909185

Brooke County Sanitary Landfill
Colliers, WV 26035
SWF-1013 / WV0109029

DmH
2-27-15

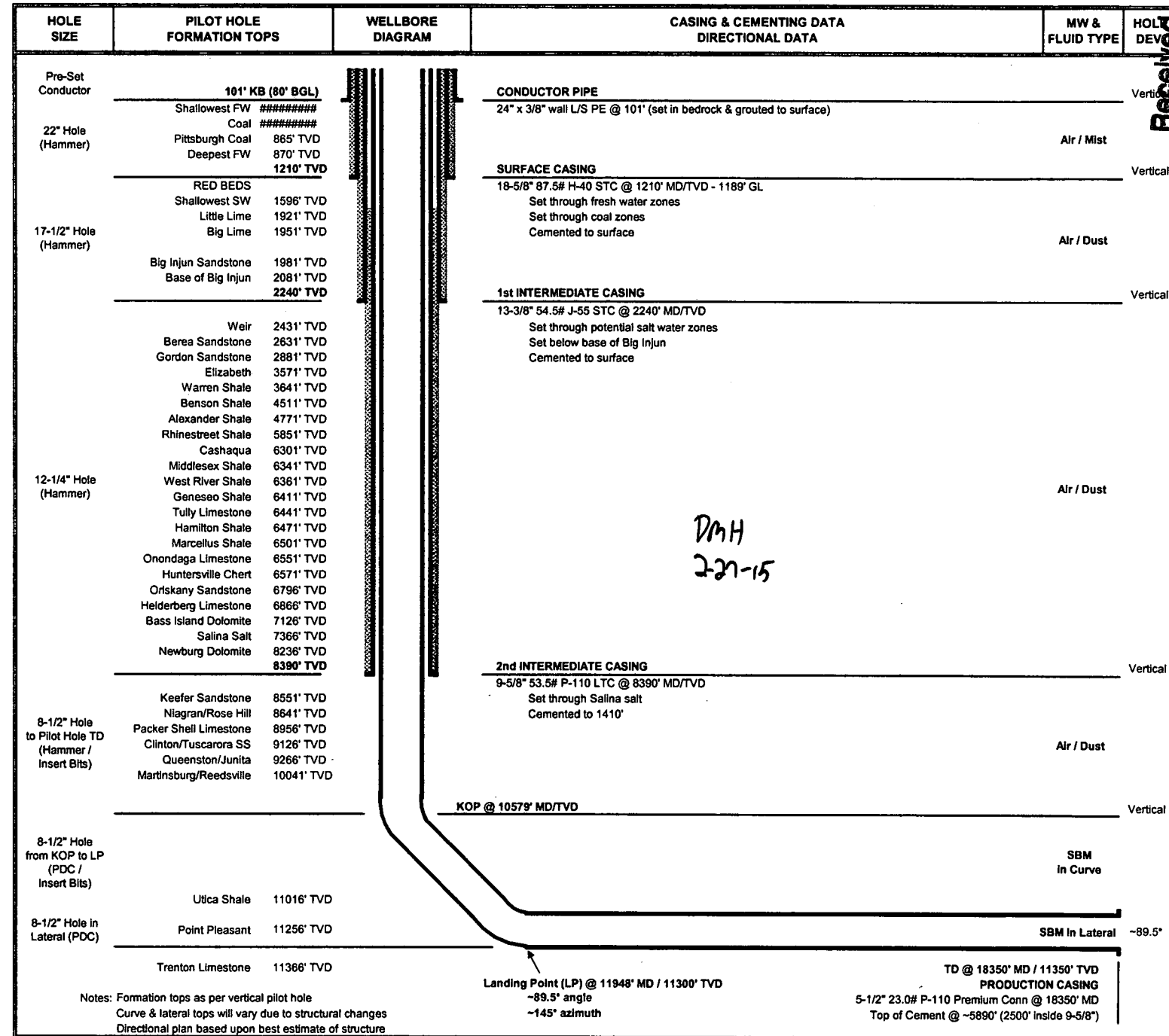
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Well: Erlewine #16HU
State: West Virginia
County: Wetzel
District: Proctor
Prospect: Mary
Location: Surface: Lat = 39.683667° N & Long = 80.796903° W / (N) 4,392,668' (E) 517,416' (UTM - NAD83, Zone 17)
Permitted BHL: Lat = 39.671177° N & Long = 80.780932° W / (N) 4,391,285' (E) 518,789' (UTM - NAD83, Zone 17)
Proposed TD: 18350' MD / 11350' TVD

PROPOSED HORIZONTAL

Revision: 23-Feb-15

Permit Number: 47-103-
Permit Issued:
Post Construction Ground Elevation: 1212'
Kelly Bushing: 21'
Rig:
Spud Date:
TD Date:
Rig Release Date:



Office of Oil & Gas
MAY 07 2015

ERLEWINE #16HU

(SEE PAGE 2 OF 2 FOR PLAT)

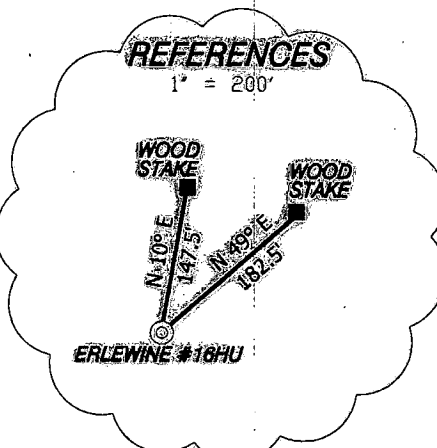
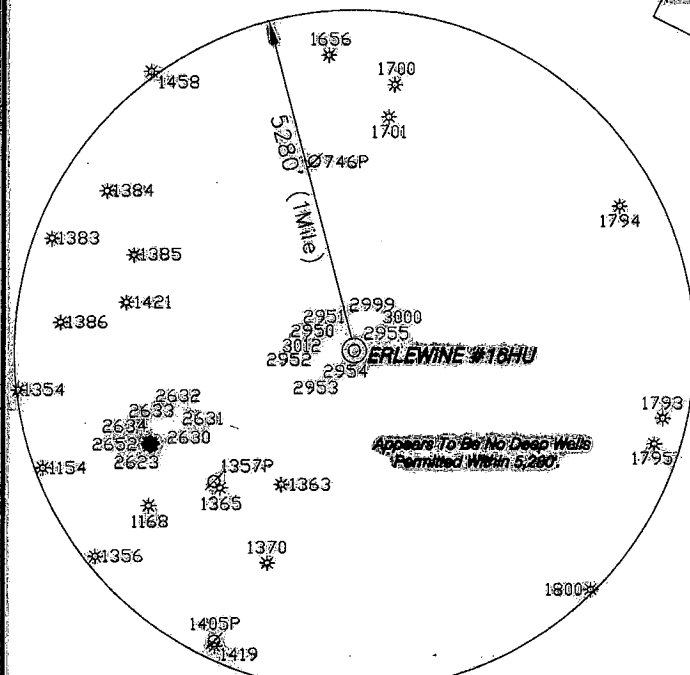
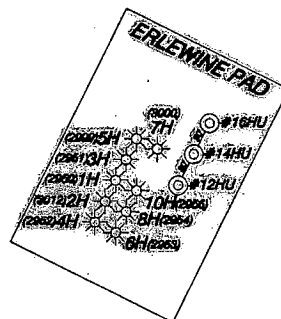
ERLEWINE #16HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 433699 (E) 1634608	80.78708	4302688 617418

ERLEWINE #16HU LANDING POINT		
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 433699 (E) 1634608	80.78708	4302688 617418

ERLEWINE #16HU BOTTOM HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 433699 (E) 1634608	80.78708	4302688 617418

ERLEWINE #16HU

TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	RICHARD L. ERLEWINE	72.8±	72.8±
B	BNA CONSTRUCTION, INC.	63.0±	63.0±
C	GREEN ESTATES, INC.	6.0±	6.0±
D	GREEN ESTATES, INC.	17.575±	17.575±
E	GREEN ESTATES, INC.	23.6±	23.6±
F	MARY JO BLATON	78.75±	78.75±
G	GREEN ESTATES, INC.	36.5±	36.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAYER MATERIALS SCIENCE LLC	4.0±	4.0±
J	BAYER MATERIALS SCIENCE LLC	89.0±	89.0±
K	GLADYS ANTHONY	28.5±	28.5±
L	ANTERO RESOURCES	25.0±	25.0±
M	ANTERO RESOURCES	23.0±	23.0±
N	ANTERO RESOURCES	16.0±	16.0±
O	ROSEMARY POST HAFER	20.0±	20.0±
P	WANDA R. SPRINGSTON	80.35±	80.35±
Q	MALCOLM D. HALL	60.0±	60.0±
R	SHARON L. KENTHORN	1.05±	1.05±
S	RUTH E. BLAKE	124.0±	124.0±
T	RUTH E. BLAKE	14.5±	14.5±
U	GASTAR CORPORATION USA, INC.	42.0±	42.0±
V	ROBERT L. POWELL & DENA L. BLAKE-POWELL	70.9±	70.9±
W	PETER G. STANSBURY	123.9±	123.9±
X	SKY PRODUCTION COMPANY, LLC	83.82±	83.82±
		UNIT TOTAL	487.85±

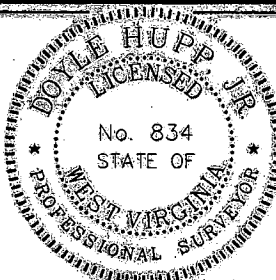
**NOTES ON SURVEY**

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WY NORTH ZONE NAD 27.
4. WELL LAT/LONG ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WYDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

Doyle Hupp Jr.
HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@fronternet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 20 15OPERATOR'S WELL NO. ERLEWINE #16HU

API WELL NO. 47-103-03116
STATE WV COUNTY WETZEL PERMIT 03116

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SG-GPS (OPUS) SCALE 1" = 1000'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE: OIL GAS X LIQUID WASTE IF "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION: ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK

DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK: LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT

 ESTIMATED DEPTH 14,350' MD- 18,350'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1500 FORT PIERRE FORT, SUITE 201 MORCANTOWN, WV 26506

COUNTY NAME

PERMIT

ERLEWINE #16HU

LONG. 80°47'49.5"

1.505'

LATITUDE 39°42'30"

LONGITUDE 80°47'30"

9.015'

LAT. 39°41'00.9"

COUNTY NAME

PERMIT

LEGEND

EXTERIOR (LEASE) BOUNDARY	---
INTERIOR (LEASE) BOUNDARY	---
SURFACE BOUNDARY	---
CREEK/STREAM	---
ROADS	---
PROPOSED #16HU LATERAL	---
PROPOSED LATERALS	---
UNIT BOUNDARY	---
UNIT TRACT	---
PERMITTED WELL	---
ROAD/ROUTE NUMBER	---
FORCED FLOODING	---

HUPP Surveying & Mapping
P.O. Box 647, Grantsville, WV 26147
(304) 354-7035 FAX (304) 354-7036

API WELL NO. 47-103-03116
STATE COUNTY PERMIT
DATE APRIL 27, 2015
OPERATORS WELL NO. ERLEWINE #16HU

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WY LONG ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SC-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF MWDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 6250'.
8. VOLUNTARY FLOODING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR LINE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT HIERPOINT DR., SUITE 201 MORGANTOWN, WV 26506



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

TH Exploration LLC
550 Bailey Avenue, Suite 510
Fort Worth, TX 76107

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Sir:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

A copy of the location plat is enclosed for your review. If no objection(s) are received by June 10, 2015 the application will be processed in the normal manner.

If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

MM-Marcellus III LP
508 W Wall Street
Midland, TX 79701

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Sir:

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Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Venable Royalty, LTD
5910 North Central Expressway, Suite 1470
Dallas, TX 75206

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Sir:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Sincerely,

Cindy Raines

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Verno, LTD
5911 North Central Expressway, Suite 1470
Dallas, TX 75206

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Sir:

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Sincerely,

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Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Antero Resources Appalachian Corporation
1625 17th Street
Denver, CO 80202

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Sir:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Hilda A Porter
7114 Dallas Pike
Dallas, WV 26036

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Ms. Porter:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



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Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Arnold E Smith
934 N State Route 2
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Mr. Smith:

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

MaryLou L Smith
618 Foundry Street
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Ms. Smith:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

David L Smith
20 Steelton Street
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Mr. Smith:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commission's granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Ralph O Smith
128 Central Street
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Mr. Smith:

Please be advised that Stone Energy Corporation has applied to the Oil and Gas Conservation Commission for approval to intentionally deviate a new deep well. The Code of State Regulations Title 39 Section 1.4.10 requires that the Commission notify the offset operators of the applicants' intent to deviate the proposed well. You are receiving this notice because you are listed as an offset operator (unleased mineral owner is also an "offset operator") to the proposed well. Any offset operator has ten days to object to the Commissions' granting approval to the proposed deviation. If you file an objection, the Commission will schedule a hearing and you will be notified of the date and time to attend.

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If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Milton O Smith
616 Foundry Street
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Mr. Smith:

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Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
dep.wv.gov

May 21, 2015

Sonny L Smith
Route 1 Box 89
New Martinsville, WV 26155

RE: Intentional Deviation of New Deep Well - Erlewine 16HU

Dear Mr. Smith:

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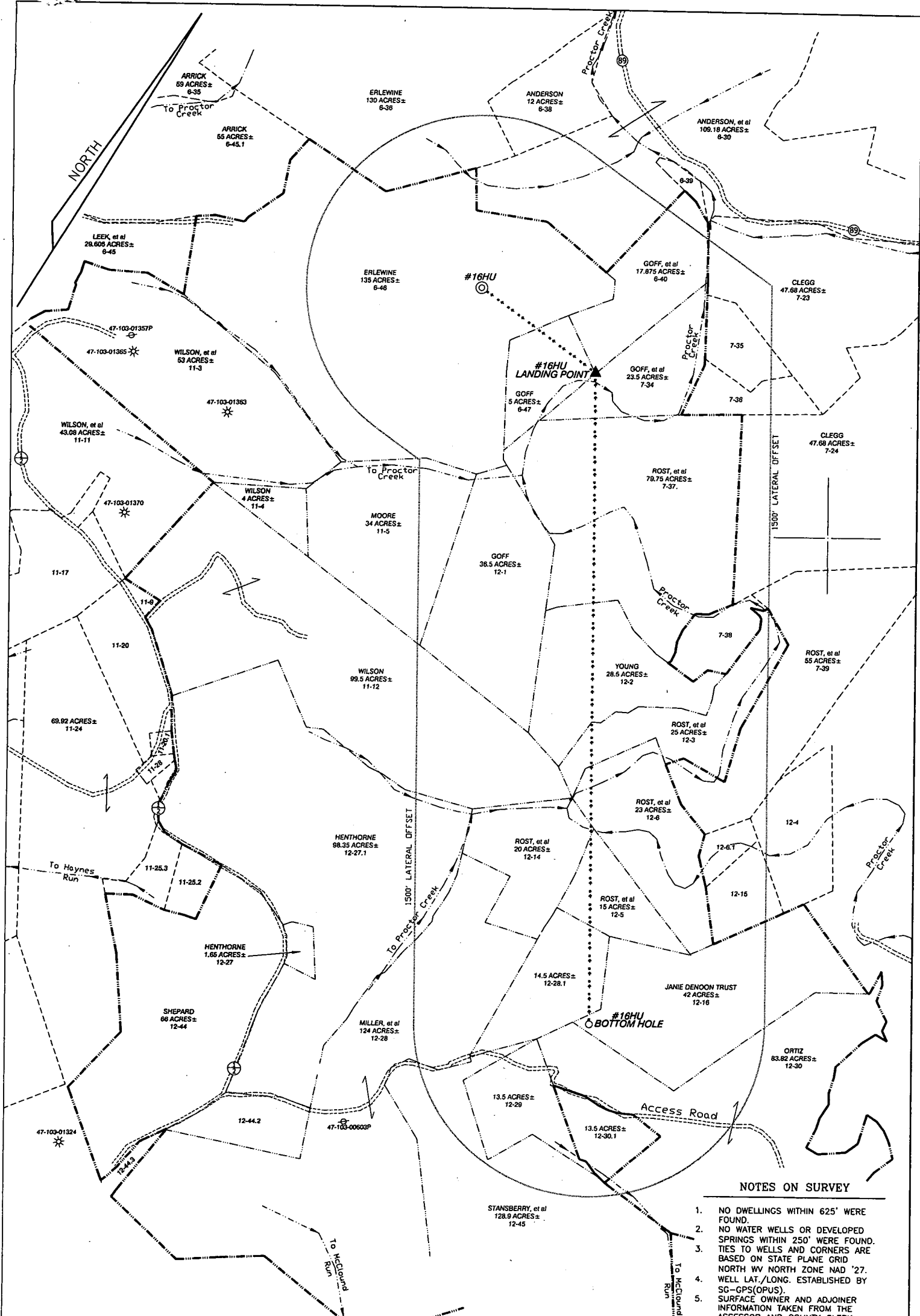
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If you have any questions please call me at (304) 926-0499, extension 1656.

Sincerely,

Cindy Raines
Executive Assistant

encl: as stated



LEGEND

LEASE BOUNDARY	---
SURFACE BOUNDARY	---
CREEK/STREAM	~ ~ ~
ROADS	==
PROPOSED #16HU LATERAL	---x---
1500' LATERAL OFFSET	---
PERMITTED WELL	⊗
ROAD/ROUTE NUMBER	20

NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
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4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
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HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

ERLEWINE #16HU OFFSET MAP

STONE ENERGY CORPORATION
P.O. Box 647 LAFAYETTE, LA 70508

Erlewine 16 HU

District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	15	Amanda Butler Heirs	Unknown
12	12	15	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107 ✓
12	12	15	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701 ✓
12	12	4	Amanda Butler Heirs	Unknown
12	12	4	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107
12	12	4	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701
12	7	23	Venable Royalty, Ltd	5910 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	Verno, Ltd	5911 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	24	Antero Resources Appalachian Corporation	1625 17th Street Denver, CO 80202 ✓
12	7	35	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	36	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042
12	12	6.1	Hilda A. Porter	7114 Dallas Pike Dallas, WV 26036 ✓
12	12	6.1	Carl William Goddard	Unknown
12	12	6.1	Arnold E. Smith	934 N. State Rt. 2 New Martinsville, WV 26155 ✓
12	12	6.1	MaryLou L. Smith	618 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	David L. Smith	20 Steelton St. New Martinsville, WV 26155 ✓
12	12	6.1	Ralph O. Smith	128 Central St New Martinsville, WV 26155 ✓
12	12	6.1	Milton O. Smith	616 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	Sonny L. Smith	Rt. 1 Box 89 New Martinsville, WV 26155 ✓
12	12	6.1	Nellie Suter	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	11	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	39	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

Raines, Cindy J

From: deren@frontier.com
Sent: Friday, July 24, 2015 8:42 AM
To: Raines, Cindy J; Roger Cutright
Cc: Bobby Richards; Scott Wilson
Subject: Protest to Docket No. 233 Case No. 223
Attachments: Protest Letter Oil and Gas Conservation Commission.docx

Attached you will find B&R Holdings, Inc. protest to Docket No. 233 Case No. 223.
Please forward to all necessary parties.

Best Regards

Robert A Richards
Randy L Richards

B&R Holdings, Inc.
PO Box 311
Spencer, WV 25276

Robert A Richards Office: 304-927-3193
Cell: 304-951-0763
Randy L Richards Office: 304-927-6600
Cell: 304-377-1928

B&R HOLDINGS, INC.
PO BOX 311
SPENCER, WV 25276

July 23, 2015

Oil and Gas Conservation Commission
601 57 Street SE
Charleston, WV 25304

Docket No. 233
Case No. 223

Ladies and Gentlemen,

B & R Holdings, Inc. ("B&R") hereby objects to and protests the proposed Application by Stone Energy Corporation ("Stone") in the above referred matter for an Order from the Commission for an exception to the spacing requirements and to establish a 487.85 acres drilling unit for the following reasons:

1. B&R and Stone have entered into a Lease Purchase and Joint Venture Agreement dated April 14, 2010 (the "JVA") which encompasses all or a portion of the proposed unit. Article VI.A. of the JVA provides that the parties will negotiate in good faith to reach mutual agreement on the location of the wells and units, but if the Parties are unable to reach mutual agreement Stone will have the right to proceed, provided that such unit does not exceed 80 acres for a vertical well and 160 acres for a horizontal well lateral.

2. Stone has not entered into any negotiations with B&R pertaining to the subject unit and as a result, Stone and B&R have not reached any mutual agreement on the location of the proposed wells or the size of the unit.

3. The proposed unit of 487.85 acres for the 3 horizontal well laterals exceeds the limit of 160 acres per well lateral as set forth in the JVA unless and until such time as Stone and B&R have attempted to negotiate an agreed unit size.

4. In addition, it is understood that the usual and customary spacing used by Stone is 1,200 feet between horizontal well laterals which would indicate a 600 foot boundary offset. Providing only a 400 foot boundary offset to the two outside horizontal well laterals as set forth on the maps attached to the proposed Application, subjects the those two horizontal well laterals to possible drainage from other wells which may be drilled on adjoining acreages in the future.

5. If Stone increases the 400 foot boundary offset to 600 feet, that would not only increase the size of the unit but also increase the amount of acreage in excess of the 160 acre limit per well lateral as set forth in the JVA unless and until such time as Stone and B&R have attempted to negotiate an agreed unit size.

6. In the application submitted by Stone they have listed several leases that B&R owns 10% and Stone owns 90% according to JVA.

As a result of the foregoing and not being properly notified, B&R requests that the Application by Stone be denied or continued until such time, if any, as negotiations between B&R and Stone pertaining to the above issues have been undertaken and completed.

If any further information is needed, please contact the undersigned.

Very truly yours,

Robert A. Richards
Vice President

Office: 304-927-3193
bluegroup@frontier.com

Randy L. Richards
Vice President

Office: 304-927-6600
deran@frontier.com

cc: Stone Energy Corporation

Ex. 6

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508



July 22, 2015

Oil and Gas Conservation Commission
Department of Environmental Protection
Attention: Cindy Raines
601 57th Street
Charleston, WV 25304

Re: Erlewine 12HU, 14HU, and 16HU Deep Well Application

Dear Ms. Raines:

Please find enclosed an original and two copies of Stone Energy Corporation's ("Stone") Amended Supplemental Application to form a deep well drilling unit around the Erlewine 12HU, 14HU, and 16HU wells and obtain a variance to the 3000' spacing requirement set forth in W. Va. CSR § 39-1-4.2. In accordance with W. Va. CSR § 39-1-4.3, Stone requests a hearing to offer support for these requests.

Should you have any questions, please feel free to contact me at 304.225.1789.

Respectfully,

A handwritten signature in black ink that reads "Roger L. Cutright". The signature is stylized with a large, sweeping "R" and a long, horizontal stroke at the end.

Roger L. Cutright
Land Manager and Special Counsel

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE SUPPLEMENTAL
APPLICATION BY STONE ENERGY CORPORATION,
A DELAWARE CORPORATION, FOR AN
EXCEPTION TO THE 3000' SPACING REQUIREMENT
SET FORTH IN W. VA. CSR § 39-1-4.2 AND FOR THE
POOLING AND UNIT OPERATION OF A 487.85-ACRE
DEEP WELL UNIT FOR PRODUCTION OF OIL AND
GAS IN PROCTOR DISTRICT, WETZEL COUNTY,
WEST VIRGINIA

DOCKET NO. 233
CASE NO. 223

AMENDED SUPPLEMENTAL APPLICATION
For Pooling and Spacing Exceptions

NOW COMES STONE ENERGY CORPORATION, a Delaware corporation, ("Applicant") and gives notice of its intention to direct the bottom of the Erlewine 12HU, 14HU, and 16HU wells away from vertical and (1) pursuant to W. Va. CSR § 39-1-4.3, requests an exception to the 3,000' spacing requirement set forth in W. Va. CSR § 39-1-4.2, and (2) pursuant to W. Va. CSR § 22C-9-7(b), requests an order requiring the pooling of oil and gas interests in certain lands for the development and operation of a 487.85-acre drilling unit for the Erlewine 12HU, 14HU, and 16HU wells. In support of its Supplemental Application, Applicant states as follows:

1. Applicant is a Delaware corporation engaged in the production of oil and gas within the State of West Virginia and is an operator within the meaning of W. Va. Code § 22C-9-2(a)(4). The Applicant is a qualified and experienced operator of oil and gas wells, including horizontal wells, in West Virginia. The Applicant's address is:

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508

2. Applicant desires to pool interests and form a 487.85-acre unit (the "Unit"), drill the Erlewine 12HU, Erlewine 14HU, and Erlewine 16HU wells in the Point Pleasant Formation, and operate the wells and unit for the production of oil and gas in Proctor District, Wetzel County, West Virginia, to be known as the Erlewine Utica Unit B, as more particularly described and depicted on the plats identified collectively as **Exhibit A** attached hereto. Each plat was drawn to the scale of 1 inch equal to 2000 feet showing the area involved, and prepared by a licensed land surveyor. In addition, each plat shows:

- a. the boundaries of the proposed drilling unit;
- b. the distance from the proposed well to the nearest outside boundary of the proposed unit;
- c. the acreage of each tract within the unit;
- d. all deep oil and gas wells completed, drilled, or permitted within a distance of 2 miles, including all abandoned deep wells within 1 mile, if any, and the distance to each;
- e. the proposed or actual location of the Erlewine 12HU, 14HU, and 16HU wells as determined by survey, the courses and distances of such location from two (2) permanent points or landmarks on said tracts and the number to be given the deep well;
- f. the location at which deep oil or gas wells have been drilled or could be drilled in accordance with the applicable special field order or rule; and
- g. all wells, including shallow wells and dry and abandoned wells located in the Unit Area, all of which are properly designated by name and known permit numbers.

3. Applicant requests a variance to allow it to locate the Erlewine 12HU, 14HU, and 16HU wells within less than 3000' of each other. Applicant believes such spacing will allow for the most efficient development of the oil and gas within the Unit Area and minimize the potential for waste.

4. Topographical maps showing the surface topography of the surface location of the Erlewine 12HU, 14HU, and 16HU wells and the adjoining areas are attached as **Exhibit B**.

5. **Exhibit C**, entitled Offset Operators, shows the names and addresses of unleased mineral owners and lessees of tracts adjacent to the proposed unit.

6. Applicant requests that notice of this application be given to those listed on Exhibit C, and that notice be published and otherwise given as required by law.

7. The vertical portion of the Erlewine 12HU, 14HU, and 16HU wells will be drilled on that certain 135-acre tract or parcel being identified by reference to Map 6, Parcel 46 ("Drill Site").

8. Applicant has obtained 100% of the leasing rights for the Drill Site by and through the following leases (the "Well Location Leases"):

- a. from Richard L. Erlewine, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 134A, page 131;
- b. from Ronald Carney and Glenna R. Carney, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 459;
- c. from Ralph Douglas Huff and Jean Huff, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 461;
- d. from Joyce Ellen Cokeley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 465;
- e. from Nita Adkins and Ronald R. Adkins, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 463;
- f. from Jill Stanley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 469;
- g. from Charlene Wade and Gary L. Wade, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 471;
- h. from Judy Bertrand, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 467;
- i. from Doreen Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 473;
- j. from Gerald Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 475;
- k. from Thomas E. Miller and Jean Ann Miller, husband and wife, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 132A, page 366; and
- l. from David C. White, in his capacity as special commissioner for and on behalf of Paul Loman Miller, and/or his heirs, successors, assigns, devisees or distributees, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 161A, page 76.

9. The Erlewine 12HU well will be drilled from surface at an azimuth of 210 degrees, 1,508' to a Landing Point, then at an azimuth of 145 degrees, 6,000' to the Ending Point; the Erlewine 14HU well will be drilled from surface at an azimuth of 159 degrees, 805' to a Landing

Point, then at an azimuth of 145 degrees, 5,405' to the Ending Point; the Erlewine 16HU well will be drilled from surface at an azimuth of 91 degrees, 1,213' to a Landing Point, then at an azimuth of 145 degrees, 5,604' to the Ending Point. The Erlewine 12HU, 14HU, and 16HU wells will be completed in the Point Pleasant formation, and a unit is requested with respect to that formation.

10. In addition to, and separate and apart from its lease rights, Applicant has entered into a written consent and easement with the owners of the Drill Site for the drilling of the Erlewine 12HU, 14HU, and 16HU wells pursuant to W. Va. Code § 22C-9-7(b)(4), a copy of which is attached hereto as **Exhibit D** ("Statutory Consent and Easement"). In addition, Applicant has obtained an Amendment to Surface Use and Damages Agreement with the surface owner, Richard L. Erlewine, dated February 20, 2014, a Memorandum of which was recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Book 160A, page 292.

11. Of the 487.85 acres in the proposed Erlewine Utica Unit B, ^{4.471716}~~4.61142~~ net acres are unleased and owned by those identified on **Exhibit E**, entitled Unit Interest of Unleased Owners.

12. The production of oil and gas from the Unit can be allocated in such a manner as to ensure the recovery by Applicant and the oil and gas royalty owners and operators of properties in the proposed unit of their just and equitable share of such production.

13. Applicant requests that notice of this application be published and given to all necessary parties.

14. An order requiring the unit operation of the Unit for the production of oil and gas is reasonably necessary for the protection of correlative rights, prevention of waste and the drilling of unnecessary wells.

15. A verification of this application is attached and incorporated herein.

WHEREFORE, Applicant respectfully requests that:

a. This Commission conduct such hearings as are required by law regarding the requests stated herein; and

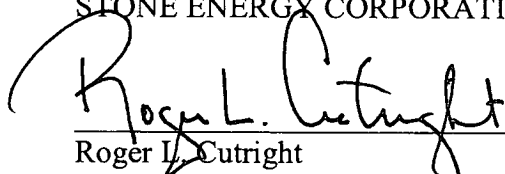
b. The Commission enter an order requiring the unitization of lands as requested herein for the operation of deep oil and gas wells; and

c. The Commission enter an order approving all necessary exceptions to the Commission's rules regarding the well locations; and

d. The Commission receive the elections provided by W. Va. Code § 22C-9-7(b) and enter one or more orders as contemplated by law in connection with this application; and

e. For such further or other relief as the Commission may find just and proper.

STONE ENERGY CORPORATION



Roger L. Cutright
Land Manager and Special Counsel
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508
304-225-1789

VERIFICATION

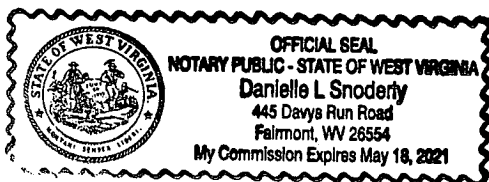
STATE OF WEST VIRGINIA
COUNTY OF MONONGALIA, to wit:

This day personally appeared before me, the undersigned, Roger L. Cutright, who being by me first duly sworn, deposes and says that he is the Land Manager and Special Counsel of Stone Energy, Inc., Applicant in the foregoing Amended Supplemental Application and knows the contents thereof pertaining to its claims and allegations; that the facts set forth therein are true, except as to such matters as are therein stated to be upon information and belief, and that insofar as matters are therein stated to be upon information and belief, he believes them to be true.

Roger L. Cutright

The foregoing instrument was acknowledged before me on this 22nd day of July, 2015 by Roger L. Cutright, Land Manager and Special Counsel.

Danielle L. Snodery
Notary Public
My commission expires: 5/18/2021



Amended Exhibit E						
Unit Interest of Unleased Owners						487.85
District/Tax Map/Parcel	Acres in Unit	Unleased Owner	Address	% Interest	Net Acres	Unit Interest
12-12-14	20	Lewis F. Arman Heirs	Unknown	2.50%	0.5	0.001025
12-12-14	20	Susan F. Dotson heirs	Unknown	2.50%	0.5	0.001025
12-12-14	20	Thomas Arman heirs	Unknown	2.50%	0.5	0.001025
12-12-14	20	Fred Arman heirs	Unknown	2.50%	0.5	0.001025
12-12-14	20	Ruben (Reuben) Arman heirs	Unknown	2.50%	0.5	0.001025
12-12-14	20	B.W. (Byron) Arman heirs	Unknown	2.50%	0.5	0.001025
12-12-2	21.7	Leona Bower	Unknown	2.86%	0.6199994	0.001271
12-12-2	21.7	Carolyn Shinn Heirs	128 SOUTH 2ND AVE PADEN CITY, WV 26159	1.30%	0.2818179	0.000578
12-12-2	21.7	Cynthia Smith	Rt. 1 Box 189 S KEYSER, WV 26726	0.00%	0	0
12-12-2	21.7	Kelly Dalton	9 BEECH STREET AMBRIDGE, PA 15003	0.00%	0	0
12-12-2	21.7	Kristin Shahan	905 LENZ AVE AMBRIDGE, PA 15003	0.52%	0.1127272	0.000231
12-12-2	21.7	Meredith Smith, Jr.	927A RIVERSIDE DRIVE BEAVER, PA 15009	0.52%	0.1127272	0.000231
12-12-2	21.7	Bryan R. Hoskins	5080 LIKINI STREET #1014 HONOLULU, HI 96818	1.59%	0.3444441	0.000706
					4.471716	0.92%

MEMORANDUM OF LEASE

This Memorandum of Lease is made and entered into on the 1st day of May, 2015, by and between Cynthia Smith, as Lessor, and Stone Energy Corporation, 625 East Kaliste Saloom Road Lafayette, LA 70508, c/o Land Department, a Delaware corporation licensed to do business in West Virginia as a foreign corporation, as Lessee.

Whereas, by that Oil and Gas Lease dated May 1, 2015, Lessor agreed to lease to Lessee and Lessee agreed to lease from Lessor certain oil and gas rights in that certain tract or parcel of land situate in Proctor District, Wetzel County, West Virginia, containing 28.50 acres, more or less, which is identified on the tax map as Map # 12, Parcel(s) # 2, being the same real property interest and estate that was conveyed to Lessor by that certain Affidavit of Heirship for Darrell Smith, and not yet recorded in the Clerk's Office of Wetzel County, West Virginia; provided however, that such description is intended to include all strips, tracts or parcels of land now owned or hereafter acquired by Lessor that are contiguous with or adjacent to the lands described above, and all interests in the lands described above now owned or hereafter acquired by Lessor, as to those depths set forth in Paragraph 6 below ("Leased Premises").

Whereas, the Lease shall remain in force for a primary term of Five (5) years from the 1st day of May, 2015, and as long thereafter as either Oil or Gas are produced in paying quantities from the Leased Premises or property unitized therewith.

Now, therefore, witnesseth: That in accordance with and pursuant to the provisions of West Virginia Code § 40-1-8, as in effect as of the date of this Memorandum, Lessor and Lessee hereby set forth the following information with respect to that certain Lease Agreement entered into and made by and between Lessor and Lessee:

1. LESSOR: Cynthia Smith
2. LESSEE: Stone Energy Corporation
3. LESSOR'S ADDRESS: 773 McDonald Terrace, Cumberland, MD 21502
4. LESSEE'S ADDRESS: c/o Land Department, 625 East Kaliste Saloom Road, Lafayette, LA 70508
5. LEASE AGREEMENT EXECUTION DATE: May 1, 2015
6. DEPTHS COVERED: All Depths
7. LEASE TERM:
 - (a) COMMENCEMENT DATE: May 1, 2015
 - (b) TERMINATION DATE: May 1, 2020 unless either Oil or Gas are produced in paying quantities from the Leased Premises or property unitized therewith.
 - (c) EXTENSION PERIOD OPTION: [yes/no]; if yes: Yes
 - (i) [date extension period may be exercised]; May 1, 2020
 - (ii) [term of extension]; 5 years
 - (iii) [maximum date of extensions]; May 1, 2025
 - (iv) [number of extension periods]. One

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum to be executed and effective as of the date first set forth above.

[Signature Page Follows]

81584 898. A

Lessor

By: Cynthia H. Smith
Cynthia Smith

Stone Energy Corporation,
a Delaware Corporation

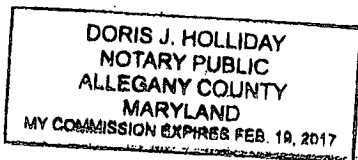
By: RLC
Roger L. Cutright,
Land Manager and Special Counsel

ACKNOWLEDGMENT BY LESSOR

STATE OF Maryland,
COUNTY OF Allegany,

The foregoing instrument was acknowledged before me on this 1 day of May,
2015, by Cynthia Smith, Lessor.

{SEAL}

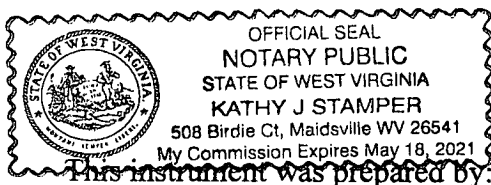


Doris J. Holliday
Notary Public
My Commission expires: Feb 19, 2017

ACKNOWLEDGMENT BY LESSEE

STATE OF WEST VIRGINIA
COUNTY OF MONONGALIA

The foregoing instrument was acknowledged before me this 18th day of June,
2015 by Roger L. Cutright, Land Manager and Special Counsel, on behalf of Stone Energy
Corporation, a Delaware corporation.



Kathy J. Stamper
Notary Public
My commission expires: 5-18-2021

Stone Energy Corporation
1300 Fort Pierpont Drive
Suite 201
Morgantown, WV 26508

Carol S. Hought
WEIZEL COUNTY 12:33:39 PM
Instrument No 183552
Date Recorded 06/30/2015
Document Type O&G
Pages Recorded 2
Book-Page 164A-627
Recording Fee \$5.00
Additional \$5.00

MEMORANDUM OF LEASE

This Memorandum of Lease is made and entered into on the 30th day of April, 2015, by and between Kelly Dalton, as Lessor, and **Stone Energy Corporation**, 625 East Kaliste Saloom Road Lafayette, LA 70508, c/o Land Department, a Delaware corporation licensed to do business in West Virginia as a foreign corporation, as Lessee.

Whereas, by that Oil and Gas Lease dated April 30, 2015, Lessor agreed to lease to Lessee and Lessee agreed to lease from Lessor certain oil and gas rights in that certain tract or parcel of land situate in Proctor District, Wetzel County, West Virginia, containing 28.50 acres, more or less, which is identified on the tax map as Map # 12, Parcel(s) # 2, being the same real property interest and estate that was conveyed to Lessor by that certain Affidavit of Heirship dated the 14th day of May, 2014, and of record in the Clerk's Office of Wetzel County, West Virginia in Miscellaneous Book 108, at page 424; provided however, that such description is intended to include all strips, tracts or parcels of land now owned or hereafter acquired by Lessor that are contiguous with or adjacent to the lands described above, and all interests in the lands described above now owned or hereafter acquired by Lessor, as to those depths set forth in Paragraph 6 below ("Leased Premises").

Whereas, the Lease shall remain in force for a primary term of Five (5) years from the 30th day of April, 2015, and as long thereafter as either Oil or Gas are produced in paying quantities from the Leased Premises or property unitized therewith.

Now, therefore, witnesseth: That in accordance with and pursuant to the provisions of West Virginia Code § 40-1-8, as in effect as of the date of this Memorandum, Lessor and Lessee hereby set forth the following information with respect to that certain Lease Agreement entered into and made by and between Lessor and Lessee:

1. LESSOR: Kelly Dalton
2. LESSEE: Stone Energy Corporation
3. LESSOR'S ADDRESS: 9 Beech St., Ambridge, PA 15003
4. LESSEE'S ADDRESS: c/o Land Department, 625 East Kaliste Saloom Road, Lafayette, LA 70508
5. LEASE AGREEMENT EXECUTION DATE: April 30, 2015
6. DEPTHS COVERED: All Depths
7. LEASE TERM:
 - (a) COMMENCEMENT DATE: April 30, 2015
 - (b) TERMINATION DATE: April 30, 2020 unless either Oil or Gas are produced in paying quantities from the Leased Premises or property unitized therewith.
 - (c) EXTENSION PERIOD OPTION: [yes/no]; if yes: Yes
 - (i) [date extension period may be exercised]; April 30, 2020
 - (ii) [term of extension]; 5 years
 - (iii) [maximum date of extensions]; April 30, 2025
 - (iv) [number of extension periods]. One

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum to be executed and effective as of the date first set forth above.

[Signature Page Follows]

81582888.AH

Lessor

By:

Kelly Dalton
Kelly Dalton

Stone Energy Corporation,
a Delaware Corporation

By:

RLC
Roger L. Cutright,
Land Manager and Special Counsel

ACKNOWLEDGMENT BY LESSOR

STATE OF Pennsylvania

COUNTY OF Beaver

The foregoing instrument was acknowledged before me on this 30 day of April,
2015, by Kelly Dalton, Lessor.

{SEAL}

NOTARIAL SEAL
CHELSEA ANN FITZGERALD, NOTARY PUBLIC
ROCHESTER BORO, BEAVER COUNTY
MY COMMISSION EXPIRES APRIL 3, 2018

Chelsea Ann Fitzgerald
Notary Public
My Commission expires: April 3, 2018

ACKNOWLEDGMENT BY LESSEE

STATE OF WEST VIRGINIA

COUNTY OF MONONGALIA

The foregoing instrument was acknowledged before me this 18th day of June,
2015 by Roger L. Cutright, Land Manager and Special Counsel, on behalf of Stone Energy
Corporation, a Delaware corporation.



This instrument was prepared by:

Stone Energy Corporation
1300 Fort Pierpont Drive
Suite 201
Morgantown, WV 26508

Kathy J. Stamper
Notary Public
My commission expires: 5-18-2021

Carol S. Haight
WETZEL County 12:26:29 PM
Instrument No 183544
Date Recorded 06/30/2015
Document Type ORO
Pages Recorded 2
Book-Page 1644-619
Recording Fee \$5.00
Additional \$6.00

Ex 8



SWN Production Company, LLC
P O Box 12359
Spring, Texas 77391-2359
www.swn.com

July 22, 2015

Mr. Roger Cutright
Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508

VIA FEDEX &
ELECTRONIC MAIL: CutrightRL@StoneEnergy.com

Re: Erlewine 12HU, 14HU, and 16HU Wells
Proctor District, Wetzel County

Dear Mr. Cutright:

SWN Production Company, LLC ("SWN") has received notice from the WV Oil and Gas Conservation Commission ("Commission") that Stone Energy Corporation ("Stone") has requested the Commission review and approve an exception to the spacing requirements as set forth in CSR 39-1-4.2 and establish a 487.85 acre drilling unit ("Erlewine Utica B Unit" or the "Unit") and pool the unleased tracts and interests of operators within such Unit to allow for the drilling of the above referenced wells. A hearing before the Commission on these requests is currently set for July 24, 2015 (Docket No. 233, Cause No. 223).

In this regard, SWN hereby agrees not to protest, nor cause to be protested, or delayed any of Stone's requests to the Commission pertaining to Docket No. 233, Cause No. 223, subject to Stone agreeing to the following:

- 1) Stone shall not conduct operations on SWN's oil and gas leasehold (the "Leases") that are inside the Unit, until such time as one of the following has occurred:
 - a) Stone and SWN have consummated a lease trade agreement, including all of SWN's Leases in the Erlewine Utica B Unit or any other unit encompassing the Leases that are the subject of the above referenced hearing; or
 - b) Stone and SWN agree to jointly participate in the wells and enter into a mutually agreeable Joint Operating Agreement covering the Leases on a form substantially similar to AAPL Form 610 - 1989; or
 - c) Stone and SWN enter into an agreement, whereby Stone will carry all costs which would be attributed to SWN's proportionate interest in the unit and wells and receive all revenues until such time as 100% of the costs attributable to SWN's interest are recouped by Stone, at which

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point SWN would become entitled to its proportionate share of revenues and costs in the unit and wells.

- 2) Stone shall make it known to the Commission, and placed on the public record at the scheduled hearing, that its requests for exception shall be contingent upon consummating a trade agreement with SWN for the Leases.

Notwithstanding any order or finding of the Commission to the contrary, the terms and conditions of this agreement shall be binding as between the parties.

The terms and conditions of this agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, trustees and assigns.

Should the foregoing be acceptable, please so indicate in the space provided and return via email or facsimile to the attention of Bill Reedy at (832) 796-8883.

Sincerely,

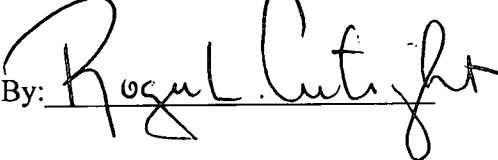
SWN Production Company, LLC



Jim R. Dewbre *BTR*
Sr. Vice President – Land & Regulatory

Accepted and agreed to this 22nd day of July, 2015.

Stone Energy Corporation

By: 

Its: LAND MANAGER / SPECIAL COUNSEL

$\frac{R^2}{A} \rightarrow V^+$

The Right People doing the Right Things,
wisely investing the cash flow from our
underlying Assets, will create Value+[®]

Ex. 9

FILED
2014 JUL 17 PM 12:37
SHARON M. BULANEY
CIRCUIT CLERK
WETZEL COUNTY, WV

IN THE CIRCUIT COURT OF WETZEL COUNTY, WEST VIRGINIA

Stone Energy Corporation,
a Delaware corporation,

Petitioner,

v.

Civil Action No. 13-C-100
Judge David W. Hummel, Jr.

Paul Loman Miller,
and/or his Unknown Heirs, Successors,
Assigns, Devisees, or Distrubutees,

Defendants.

*Filed
7-16-14
C. H. A.*

Order to Confirm the Sale of the Lease

This day came the Petitioner, Stone Energy Corporation, by Andrew R. Cutright, Esq., and Corey J. Powell, Esq., and Timothy R. Linkous, Guardian Ad Litem, for the Defendants herein, for the purposes of requesting Court approval and confirmation of the sale of the lease negotiated between the parties herein.

The Court, having reviewed the pleadings herein and the arguments of counsel, is of the opinion that the Petitioner's Motion to Confirm the Sale of the Lease should be granted, and accordingly, hereby ORDERS:

1. The Lease proposed for the Defendant's interest, a copy of which was attached to a motion previously filed herein, by and is hereby confirmed by this Court.
2. The sale price, terms and conditions of the Lease are fair and reasonable and the Court confirms the sale of the Lease and authorizes the Special Commissioner to execute,

acknowledge, and deliver the Lease to the Petitioner, upon payment of the sale price, said Lease to encompass and include all Defendants interest in the Oil and Gas.

3. The Petitioner shall promptly deliver the consideration for the Lease, being a total amount of 26,247.38 (\$), and all subsequent proceeds from the Lease to Brenda Botizer, the special receiver, who shall hold and invest the same for the use and benefit of the unknown or missing owners or abandoning owners, being the Defendants herein, until such time as the Defendants come forward or the subject interests be ultimately conveyed to the surface owner, all pursuant to West Virginia Code §55-12A-6 and §55-12A-7.
4. The Special Commissioner, David C. White, be paid a reasonable amount of compensation and expenses as provided by West Virginia Code §55-12A-8, in the total amount of (\$1,800.00); payable by August 10.
5. The Guardian Ad Litem, Timothy R. Linkous, Esq., be paid a reasonable amount of compensation and expenses, as provided by West Virginia Code §55-12A-5(d), in the total amount of (\$6,000.00); payable by August 10.
6. The Special Commissioner, David C. White, be and he is hereby discharged from any and all duties and liabilities heretofore imposed upon him.

It is further ORDERED that the Clerk of this Court shall deliver, by first class mail or other means, a certified copy of this Order unto the following:

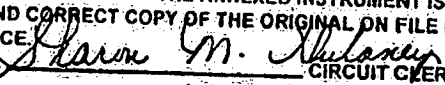
Timothy R. Linkous, Esq.
Shuman, McCusky & Slicer, PLLC
1445 Stewartstown Road, Suite 200
Morgantown, West Virginia 26505

Andrew R. Cutright, Esq.
Corey J. Powell, Esq.
Powell & Cutright, P.L.L.C.
256 High Street
P.O. Box 842
Morgantown, West Virginia 26507-0842

David C. White, Esq.
409 Morton Avenue
Moundsville, WV 26041

ENTER: 7-16-14


Honorable David W. Hummel, Jr.,

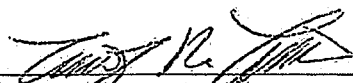
I HEREBY CERTIFY THAT THE ANNEXED INSTRUMENT IS A
TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE IN
MY OFFICE.
ATTEST:  CIRCUIT CLERK
WETZEL CO. WEST VIRGINIA
BY: _____ DEPUTY CLERK

Submitted By:




Andrew R. Cutright, Esq.
Attorney for Petitioner

Approved by:



Timothy R. Linkous, Esq.
Guardian-Ad-Litem



David C. White, Esq.
Special Commissioner

STONE ENERGY CORPORATION OIL AND GAS LEASE

Lease. This lease (the "Lease") is made and entered into as of the _____ day of _____, 201____, by and between David C. White, in his capacity as special commissioner for and on behalf of Paul Loman Miller, and/or his heirs, successors, assigns, devisees, or distributees, whether one or more (individually or collectively, the "Lessor"), and Stone Energy Corporation, a Delaware corporation, whose address is 625 East Kaliste Saloom Road, Lafayette, LA 70508, authorized to do business in the State of West Virginia (the "Lessee"). Lessor and Lessee are sometimes referred to individually as a "Party" and collectively as "Parties".

Consideration. For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Lessor to Lessee, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Delay Rental Payments.** Lessee will prepay all delay rental payments (paid-up-lease) for the Primary Term to Lessor; no further delay rental payments are due to Lessor for any part of the Primary Term.
2. **Grant of Lease.** Lessor hereby grants and leases exclusively to the Lessee all of the oil, gas, methane, coalbed methane, coal mine methane, and hydrocarbons and all of the constituents of any of the foregoing (collectively, "Oil and Gas") in and under that certain tract of land (the "Leased Premises") described herein, together with the exclusive right to enter and possess as necessary and convenient the surface area of the Leased Premises to establish, build, erect, or lay roads, pipelines, tanks, compressors, machinery, towers, or structures for the purpose of exploring, testing, drilling, capturing, producing, marketing, and transporting the Oil and Gas produced from the Leased Premises, from adjoining lands, or lands pooled therewith. The term "Oil" as used herein shall include all forms of liquid hydrocarbons. The term "Gas" as used herein shall also include helium, carbon dioxide, gaseous sulfur compounds, coalbed methane and any other commercial gases.
3. **Leased Premises.** The lands that are the subject of this Agreement are described as being located in **Proctor** District, **Wetzel** County, West Virginia, and bounded and described as follows:

"Beginning at a stake in the line formerly of Permelia Schilling and Heirs on the ridge below the bars; thence with the road S 6 ½ W. 17 poles to a stake, thence S. 24 ½ E. 18 poles to a stake, thence S 19° 38' W. 22 poles to a Stake, thence S 3 ¾ W. 3 1/5 poles to a Stake, thence S 67 W. 15 2/5 poles to a stake thence, S. 51-1/4 W. 10 poles to a stake, thence S. 27 E. 41 4/5 poles to a beech, thence S. 87 E. 60 poles to a white walnut, thence S. 71 ½ E. 63 poles to a water beech, thence N. 20 E. 4 poles to a stone, thence N 52 ½ E. 40 poles to a stone, thence N. 71 ½ E. 15 poles, thence N. 4 E. 19 poles to a White Oak, thence N 23 ¾ W. 46 poles to a stake, thence N. 16 W. 10 poles to a Sugar Stump, thence N. 18 ½ E. 17 poles, thence N 42 ½ E. 45 poles to a Beech thence N 29 ½ W. 10 poles to a stake, thence N. 84 ½ W. 47 poles to a Beech, thence S. 63 ½ W. 37 poles to a beech, thence N 36 W. 24 poles to a White Oak, thence S. 38 ½ W. 55 ½ poles to a Poplar, thence N. 89-1/2 W. 44-2/5 poles to the place of beginning"

Containing **135** acres, more or less; it is the intent of Lessor to lease, and Lessee does hereby lease all strips, tracts or parcels of land now owned or hereafter acquired by Lessor that are contiguous or adjacent to the lands described above, and all interests in the lands described above now owned or hereafter acquired by Lessor.

Being the same property, as evidenced by that deed recorded in the Clerk's Office of Wetzel County, West Virginia in Deed Book No. 335, at Page 15.

The surface area of the Leased Premises is further described by reference to **Proctor** District, Tax Map # **06**, Parcel(s) # **46**.

4. **Term of Lease.** This Lease shall be in effect for a term of five (5) years, (the "Primary Term") and as long thereafter as continuous operations for Oil and Gas are being conducted on, as defined in Paragraph 13 below, or Oil and Gas is being produced in paying quantities from the Leased Premises, or on lands pooled therewith, or this Lease is maintained by any of the provisions contained herein.
5. **Option to Extend.** Lessor hereby grants to Lessee the exclusive first right and option to extend the Primary Term of this Lease for an additional five (5) years from the expiration of the initial primary term by paying or tendering the sum of **THREE THOUSAND FIVE HUNDRED and 00/100 (\$3500.00)** dollars per net acre for the acreage covered by this Lease to Lessor at the address above, or to his successors or assigns at the addresses that have been changed in accordance with the terms hereof, according to Lessee's records,

within ninety (90) days after the expiration of the initial primary term of this Lease. Should Lessee exercise this option as provided herein, it shall be considered for all purposes as though this Lease originally provided a Primary Term of five (5) years, as a Paid-Up Lease. Within sixty (60) days of the exercise of the option, Lessee shall execute and file of record a statement that the option herein has been exercised and the new expiration date of the Primary Term.

6. **Royalty on Oil.** Lessee shall deliver to the credit of Lessor, free of drilling, completing, equipping and operating costs, into Lessor's tanks on the Leased Premises or in the pipeline thereon that Lessor may designate, the equivalent eighteen and 3/4th percent (18.75%) part of all Oil produced and saved from the Leased Premises, or lands pooled therewith.
7. **Royalty on Gas.** Lessee shall pay to Lessor, free of drilling, completing, equipping and operating costs, the equivalent eighteen and 3/4th percent (18.75%) part of the gross proceeds received from the sale of Gas, casinghead gas, and other gaseous hydrocarbons produced, saved and sold from the Leased Premises, or lands pooled therewith. The term "gross proceeds" as used herein shall mean the gross amount realized from a sale of the Gas or its components to a *bona fide* third party purchaser, after deducting gathering, transportation, compression, processing, fuel and other services for Lessor's Gas either on its own or through one or more wholly owned subsidiaries of Lessee, and to deduct from the royalty to be paid to the Lessor the costs and/or expenses of providing such services, including shrinkage or line loss, if any.
8. **Payments.** All payments due Lessor hereunder shall be payable to Lessor at the address specified above.
9. **Warranty.** ~~Lessor hereby warrants and agrees to defend the title to the Leased Premises against all persons, and~~ agrees that the Lessee at its option may pay, discharge, or redeem any taxes, mortgages, or other liens existing, levied or assessed on or against the Leased Premises, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or payments accruing hereunder to the discharge of any such taxes, mortgages, or other liens. In case of any dispute regarding the title to the Leased Premises, or any part thereof, or to any sums of money due hereunder, Lessee shall have the right to withhold and retain said sums in suspense, without interest, until the final determination of the dispute by agreement or by an order of a court of competent jurisdiction.
10. **Lesser Interest.** If Lessor owns less than the entirety of the mineral estate in the Leased Premises, then Lessor's royalty and any other payments hereunder shall be reduced to the proportion that Lessor's interest bears to the entirety of the mineral estate.
11. **Pooling and Unitization.** Lessee shall have the right at any time, and from time to time during any term of this Lease to pool or combine (including the right to amend such pooling or combination), within Lessee's sole discretion, all or any portion of the Leased Premises, or formation, or any depth or depths thereunder with any other lands, oil and gas estates, lease, leases or parts thereof, into one or more units for the drilling or the production of oil and gas through vertical, horizontal or directional wells, for primary or secondary recovery methods (including, but not limited to waterflooding, gas injection or injection of any other substance) or combinations of any recovery techniques. Lessee may pool or combine all or any portion of the Leased Premises before, during or after the drilling of a well on the Leased Premises or on lands pooled therewith. No pool or unit for Gas shall exceed six hundred forty (640) acres in size (plus ten (10%) percent tolerance), more or less, unless permitted by applicable laws, administrative or regulatory orders of any governmental authority having jurisdiction. Operations or production on one portion of the lands pooled or unitized hereunder, as it may from time to time be amended, shall be deemed to be operations or production on the Leased Premises, regardless of whether the well or wells are located on the Leased Premises. In lieu of the royalty provided for above, Lessor shall only be entitled to receive the royalty provided in this Lease as the amount of acreage of the Leased Premises that is included within the pool or unit bears to the entirety of the acreage within the pooled or unitized lands.
12. **Shut-In Royalty.** If at any time during any term of this Lease, there is a well capable of producing Gas in paying quantities located on the Leased Premises, or on lands pooled therewith, but said well is shut-in (whether before or after the well was placed on production) and the Lease is not being maintained by operations or production on the Leased Premises, or on lands pooled therewith, or being maintained by any other provision herein, this Lease shall nonetheless be considered as producing in paying quantities as herein provided. On or before the end of one year from the date that the well is shut-in, Lessee shall pay or tender to Lessor, or to those who are entitled to royalty payments hereunder, a shut-in royalty equal to one (\$1.00) dollar per acre for the acreage under this Lease so held by this provision. Thereafter, Lessee may pay or tender to Lessor, or to those who are entitled to royalty payments hereunder, a like amount at the anniversary of each annual period following the initial annual shut-in period. This Lease may be maintained by shut-in payments made or tendered as provided herein indefinitely.

13. **Continuous Operations.** If during the last ninety (90) days of the Primary Term hereof, or at any time after the expiration of the Primary Term, production of Oil and Gas in paying quantities from the Leased Premises, or lands pooled therewith, should cease for any reason, or if during or after such ninety (90) day period and prior to the discovery of Oil and Gas on the Leased Premises, or lands pooled therewith, Lessee should complete a well as a dry hole, this Lease shall not terminate if Lessee commences or resumes additional operations on the Leased Premises, or lands pooled therewith within one hundred eighty (180) days after production ceased or the well was completed as a dry hole, whichever is applicable. If at the expiration of the Primary Term, Oil and Gas is not being produced in paying quantities from the Leased Premises, or lands pooled therewith, but the Lessee is then engaged in operations thereon, this Lease shall remain in force so long as operations are prosecuted (whether on the same or different wells) with no cessation of more than one hundred eighty (180) consecutive days, and if they result in production, so long thereafter as Oil and Gas is produced in paying quantities from the Leased Premises, or lands pooled therewith. The term "operations" as used in this Lease shall include, but not be limited to the drilling, testing, completing (including horizontal and directional wells), reworking, recompleting, deepening, plugging back, or repairing a well, together with all work preparatory, incident or related to any such operation, in search for or in an effort to obtain, restore, maintain or increase production of Oil and Gas.
14. **Limitations on Use of the Surface and of the Leased Premises; Damages.** No well may be drilled closer than two hundred (200) feet to any structure now on the Leased Premises without the written consent of Lessor. Lessee shall have the right to use free of cost, Gas, Oil and water produced from the Leased Premises for its operations thereon, except from Lessor's water wells. Lessee shall have the right at any time to remove all or part of the machinery, fixtures or structures placed on the Leased Premises by Lessee, including the right to draw and removing casing. Lessee shall pay for damages caused by its operations to growing crops, trees and fences located on the Leased Premises.
15. **Assignments.** The rights of either party may be assigned in whole or in part, and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns. However, no change of division in ownership of the Leased Premises or royalties however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the Leased Premises or royalties shall be binding upon the Lessee for any purpose until sixty (60) days after the person acquiring any interest has furnished Lessee with the instrument(s), or certified copies thereof, constituting his chain of title from the original Lessor herein. In the case of any assignment of this Lease as to any part of the Leased Premises, divided or undivided, all monies payable hereunder shall be apportioned among the several owners of the Leased Premises ratably according to the number of surface acres, or the undivided interest of each. Failure to pay one owner of the Leased Premises shall not affect the rights of the other owners hereunder.
16. **Surrender of Lease.** Lessee may surrender this Lease, or any part thereof for cancellation, after which all payments and liabilities hereunder shall cease as to that part of the Leased Premises so surrendered.
17. **Regulation, Delay and Force Majeure.** Lessee's obligations under this Lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including restrictions on the drilling and production of wells, and regulation of the price or transportation of Oil, Gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay, and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provisions or implied covenants of this Lease when drilling, production or other operations are so prevented or delayed.
18. **No Production.** ~~Lessor, to the best of his knowledge, warrants the Lessor is not currently receiving any bonus, rental shut-in royalty or royalty on production on oil or gas pursuant to any prior oil and gas lease covering any or all of the Leased Premises, and that there are no wells producing in paying quantities on the Leased Premises, or on other lands within a drilling or production pool or unit that contains all or part of the Leased Premises.~~
19. **Lease Development.** Lessor hereby waives any implied covenant to drill, prevent drainage, further develop or market production during the Primary Term that may be imposed on Lessee.
20. **Default and Cure.** Lessor shall not declare Lessee in default under any provision of this Agreement, unless Lessor shall first notify Lessee in writing at the address above of Lessor's intention to declare such a

default, which shall specify the nature of the default in detail, and Lessee fails to cure said default within thirty (30) days after receipt of said notice.

21. **Entire Agreement.** This Lease constitutes the entire understanding between the parties hereto, and no representation, warranty or promise of behalf of either party shall be binding unless contained herein, or mutually agreed in writing by all parties hereto.
22. **Counterparts.** This Lease may be executed in any number of counterparts, each of which will be considered to be an original of this Agreement, and all of them taken together shall be considered one and the same Agreement.

EXECUTED as of the date first written above.

LESSOR:

By: 
Name: David C. White, Special Commissioner

LESSEE:

Stone Energy Corporation

By: _____
Name: Roger L. Cutright, Land Manager

ACKNOWLEDGMENT BY LESSOR

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me on this ____ day of _____, 201____, by David C. White, in his capacity as a special commissioner.

Notary Public
My commission expires: _____

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT BY LESSEE

STATE OF WEST VIRGINIA

COUNTY OF MONONGALIA

The foregoing instrument was acknowledged before me this ____ day of _____, 201____, by Roger L. Cutright, Land Manager, on behalf of Stone Energy Corporation, a Delaware corporation.

Notary Public
My commission is for life

This instrument was prepared by:

Andrew R. Cutright, Esquire and
Corey J. Powell, Esquire
Powell & Cutright, P.L.L.C.
256 High Street
Post Office Box 842
Morgantown, West Virginia 26507-0842
304-282-8488

IN THE CIRCUIT COURT OF WETZEL COUNTY, WEST VIRGINIA

Stone Energy Corporation,
a Delaware Corporation,

2015 JUL 17 AM 10:59

Petitioner,

SHAW
CIRCUIT
WETZEL

v.

Civil Action No. 13-C-32
Judge Jeffrey Cramer

Emma Schupbach, Doris Durig Deplanty,
Elza F. Moore,
and/or their Unknown Heirs, Successors,
Assigns, Devisees, or Distributees

Defendants.

Order to Confirm the Sale of the Lease

This day came the Petitioner, Stone Energy Corporation, by Andrew R. Cutright, and Roger W. Weese, Guardian Ad Litem for the Defendants herein, for the purposes of requesting Court approval and confirmation of the sale of the lease negotiated between the parties herein.

The Court, having reviewed the pleadings herein and the arguments of counsel, is of the opinion that the Petitioner's Motion to Confirm the Sale of the Lease should be granted, and accordingly, hereby ORDERS:

1. The Lease proposed for the Defendant's interest, a copy of which was attached to a motion previously filed herein, by and is hereby confirmed by this Court.

2. The sale price, terms and conditions of the Lease are fair and reasonable and the Court confirms the sale of the Lease and authorizes the Special Commissioner to execute, acknowledge, and deliver the Lease to the Petitioner, upon payment of the sale price, said Lease to encompass and include all Defendants interest in the Oil and Gas.
3. Petitioner reasonably believes that each Defendant individually owns the following amount of the Oil and Gas:
 - (1) Defendant Emma Schupbach, and/or her unknown heirs, successors, assigns, devisees, and/or distributees own 3.744856% of the Oil and Gas;
 - (2) Defendant Doris Durig Deplanty, and/or her unknown heirs, successors, assigns, devisees, and/or distributees own 0.1234568% of the Oil and Gas
 - (3) Defendant Elza F. Moore, and/or his unknown heirs, successors, assigns, devisees, and/or distributees own 3.3333333% of the Oil and Gas;
4. Collectively, the Defendants own 7.2016461% of the Oil and Gas.
5. The Petitioner shall promptly deliver the consideration for the Lease, being the up-front delay rental payments, being a total amount of \$4,500.00 per net acre, with a total cash payment of \$12,395.83, calculated by: $[(38 \frac{1}{4} \text{ Acres} \times \$4,500.00) / 7.2016461\%]$, and all subsequent proceeds from the Lease to Brenda S. Botizan, the special receiver, who shall hold and invest the same for the use and benefit of the unknown or missing owners or abandoning owners, being the Defendants herein, until such time as the Defendants come forward or the subject interests be ultimately conveyed to the surface owner, all pursuant to West Virginia Code §55-12A-6 and §55-12A-7.

6. The Special Commissioner, Elmer Earl Bowser, be paid a reasonable amount of compensation and expenses as provided by West Virginia Code §55-12A-8, in the total amount of _____ (\$ 2200.00).
7. The Guardian Ad Litem, Roger Weese, Esq., be paid a reasonable amount of compensation and expenses, as provided by West Virginia Code §55-12A-5(d), in the total amount of _____ (\$ 3450.00).
8. The Special Commissioner, Elmer Earl Bowser Jr., be and he is hereby discharged from any and all duties and liabilities, including the bond set in favor of the owners of the mineral interest which is to be leased in a specific amount, heretofore imposed upon him.

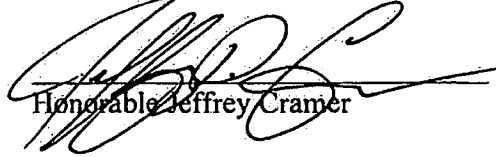
It is further ORDERED that the Clerk of this Court shall deliver, by first class mail or other means, a certified copy of this Order unto the following:

Elmer Earl Bowser, Jr., Esq.
Post Office Box 189
New Martinsville, WV 26155

Roger Weese, Esq.
621 3rd St.
New Martinsville, WV 26155

Andrew R. Cutright, Esq.
Powell & Cutright, P.L.L.C.
256 High Street
P.O. Box 842
Morgantown, West Virginia 26507-0842

ENTER: 7/17/2015

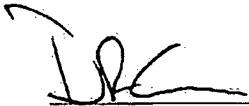

Honorable Jeffrey Cramer

I HEREBY CERTIFY THAT THE ANNEXED INSTRUMENT IS A
TRUE AND CORRECT COPY OF THE ORIGINAL ON FILE IN
MY OFFICE. *Sharon M. Chisney*

ATTEST: _____ CIRCUIT CLERK

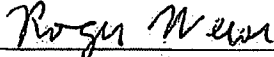
WETZEL CO. WEST VIRGINIA

BY: _____ DEPUTY CLERK

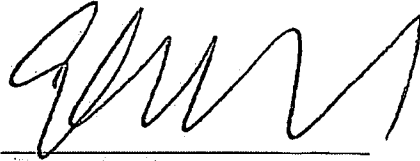


Andrew R. Cutright, Esq.
Attorney for Petitioner

Approved by:



Roger Weese, Esq.
Guardian-Ad-Litem



Elmer Earl Bowser Jr.
Special Commissioner

STONE ENERGY CORPORATION OIL AND GAS LEASE

Lease. This lease (the "Lease") is made and entered into as of the 17 day of July, 2015, by and between Elmer Earl Bowser Jr., in his capacity as special commissioner for and on behalf of Emma Schupbach, Doris Durig Deplanty, Eliza F. Moore, and/or their heirs, successors, assigns, devisees, or distributees, whether one or more (individually or collectively, the "Lessor"), and Stone Energy Corporation, a Delaware corporation, whose address is 625 East Kaliste Saloom Road, Lafayette, LA 70508, authorized to do business in the State of West Virginia (the "Lessee"). Lessor and Lessee are sometimes referred to individually as a "Party" and collectively as "Parties".

Consideration. For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Lessor to Lessee, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Delay Rental Payments.** Lessee will prepay all delay rental payments (paid-up-lease) for the Primary Term to Lessor; no further delay rental payments are due to Lessor for any part of the Primary Term.
2. **Grant of Lease.** Lessor hereby grants and leases exclusively to the Lessee all of the oil, gas, methane, coalbed methane, coal mine methane, and hydrocarbons and all of the constituents of any of the foregoing (collectively, "Oil and Gas") in and under that certain tract of land (the "Leased Premises") described herein, together with the exclusive right to enter and possess as necessary and convenient the surface area of the Leased Premises to establish, build, erect, or lay roads, pipelines, tanks, compressors, machinery, towers, or structures for the purpose of exploring, testing, drilling, capturing, producing, marketing, and transporting the Oil and Gas produced from the Leased Premises, from adjoining lands, or lands pooled therewith. The term "Oil" as used herein shall include all forms of liquid hydrocarbons. The term "Gas" as used herein shall also include helium, carbon dioxide, gaseous sulfur compounds, coalbed methane and any other commercial gases.
3. **Leased Premises.** The lands that are the subject of this Agreement are described as being located in Magnolia District, Wetzel County, West Virginia, and more particularly bounded and described as follows:

"That certain tract of land situated on Camp Run in said district and county, beginning at a stake corner to Ella Yost, thence N. 67 W. 27 poles to a stake corner to Ella Yost on the run; thence with the meanderings of said run, S. 22 W 1-1/10 poles; thence S. 15 W. 43 poles; thence S. 26 W. 34 poles; thence S. 35-1/2 W. 31 poles; thence S. 22 ¼ W. 26-6/10 poles; thence S. 38 W. 22 poles; thence S. 36 ½ W. 20-1/2 poles to a stake corner to Schupbach; thence S. 69 E. 35-2/10 poles with Mulletts line; thence N. 41-1/2 E. 21-2/10 poles; thence N. 40 E. 29-7/10 poles; thence N. 1-1/2 E. 22 poles to a Beech; thence N. 43-1/2 E. 32 poles; thence N. 26-1/2 E. 9 poles; thence N. 42-1/2 E. 8-1/2 poles to an Ironwood; thence N. 1-1/4 E. 14-1/2 poles to a Hickory; thence N. 9-1/2 E. 31-3/4 poles; thence N. 28-1/2 E. 9 poles; thence N. 5-1/2 W. 10-1/2 poles to the beginning"

Containing 38-1/4 acres, more or less; it is the intent of Lessor to lease, and Lessee does hereby lease all strips, tracts or parcels of land now owned or hereafter acquired by Lessor that are contiguous or adjacent to the lands described above, and all interests in the lands described above now owned or hereafter acquired by Lessor.

The surface area of the Leased Premises is further described by reference to Magnolia District, Tax Map # 08 Parcel(s) # 07.

4. **Term of Lease.** This Lease shall be in effect for a term of five (5) years, (the "Primary Term") and as long thereafter as continuous operations for Oil and Gas are being conducted on, as defined in Paragraph 13 below, or Oil and Gas is being produced in paying quantities from the Leased Premises, or on lands pooled therewith, or this Lease is maintained by any of the provisions contained herein.
5. **Option to Extend.** Lessor hereby grants to Lessee the exclusive first right and option to extend the Primary Term of this Lease for an additional five (5) years from the expiration of the initial primary term by paying or tendering the sum of \$4,500.00 dollars per net acre for the acreage covered by this Lease to Lessor at the address above, or to his successors or assigns at the addresses that have been changed in accordance with

the terms hereof, according to Lessee's records, within ninety (90) days after the expiration of the initial primary term of this Lease. Should Lessee exercise this option as provided herein, it shall be considered for all purposes as though this Lease originally provided a Primary Term of five (5) years, as a Paid-Up Lease. Within sixty (60) days of the exercise of the option, Lessee shall execute and file of record a statement that the option herein has been exercised and the new expiration date of the Primary Term.

6. **Royalty on Oil.** Lessee shall deliver to the credit of Lessor, free of drilling, completing, equipping and operating costs, into Lessor's tanks on the Leased Premises or in the pipeline thereon that Lessor may designate, the equivalent eighteen and 3/4th percent (18.75%) part of all Oil produced and saved from the Leased Premises, or lands pooled therewith.
7. **Royalty on Gas.** Lessee shall pay to Lessor, free of drilling, completing, equipping and operating costs, the equivalent eighteen and 3/4th percent (18.75%) part of the gross proceeds received from the sale of Gas, casinghead gas, and other gaseous hydrocarbons produced, saved and sold from the Leased Premises, or lands pooled therewith. The term "gross proceeds" as used herein shall mean the gross amount realized from a sale of the Gas or its components to a *bona fide* third party purchaser, after deducting gathering, transportation, compression, processing, fuel and other services for Lessor's Gas either on its own or through one or more wholly owned subsidiaries of Lessee, and to deduct from the royalty to be paid to the Lessor the costs and/or expenses of providing such services, including shrinkage or line loss, if any.
8. **Payments.** All payments due Lessor hereunder shall be payable to Lessor at the address specified above.
9. **Warranty.** ~~Lessor hereby warrants and agrees to defend the title to the Leased Premises against all persons, and~~ agrees that the Lessee at its option may pay, discharge, or redeem any taxes, mortgages, or other liens existing, levied or assessed on or against the Leased Premises, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying any royalty or payments accruing hereunder to the discharge of any such taxes, mortgages, or other liens. In case of any dispute regarding the title to the Leased Premises, or any part thereof, or to any sums of money due hereunder, Lessee shall have the right to withhold and retain said sums in suspense, without interest, until the final determination of the dispute by agreement or by an order of a court of competent jurisdiction.
10. **Lessor Interest.** If Lessor owns less than the entirety of the mineral estate in the Leased Premises, then Lessor's royalty and any other payments hereunder shall be reduced to the proportion that Lessor's interest bears to the entirety of the mineral estate.
11. **Pooling and Unitization.** Lessee shall have the right at any time, and from time to time during any term of this Lease to pool or combine (including the right to amend such pooling or combination), within Lessee's sole discretion, all or any portion of the Leased Premises, or formation, or any depth or depths thereunder with any other lands, oil and gas estates, lease, leases or parts thereof, into one or more units for the drilling or the production of oil and gas through vertical, horizontal or directional wells, for primary or secondary recovery methods (including, but not limited to waterflooding, gas injection or injection of any other substance) or combinations of any recovery techniques. Lessee may pool or combine all or any portion of the Leased Premises before, during or after the drilling of a well on the Leased Premises or on lands pooled therewith. No pool or unit for Gas shall exceed six hundred forty (640) acres in size (plus ten (10%) percent tolerance), more or less, unless permitted by applicable laws, administrative or regulatory orders of any governmental authority having jurisdiction. Operations or production on one portion of the lands pooled or unitized hereunder, as it may from time to time be amended, shall be deemed to be operations or production on the Leased Premises, regardless of whether the well or wells are located on the Leased Premises. In lieu of the royalty provided for above, Lessor shall only be entitled to receive the royalty provided in this Lease as the amount of acreage of the Leased Premises that is included within the pool or unit bears to the entirety of the acreage within the pooled or unitized lands.
12. **Shut-In Royalty.** If at any time during any term of this Lease, there is a well capable of producing Gas in paying quantities located on the Leased Premises, or on lands pooled therewith, but said well is shut-in (whether before or after the well was placed on production) and the Lease is not being maintained by operations or production on the Leased Premises, or on lands pooled therewith, or being maintained by any other provision herein, this Lease shall nonetheless be considered as producing in paying quantities as herein provided. On or before the end of one year from the date that the well is shut-in, Lessee shall pay or tender to Lessor, or to those who are entitled to royalty payments hereunder, a shut-in royalty equal to one (\$1.00) dollar per acre for the acreage under this Lease so held by this provision. Thereafter, Lessee may pay or tender to Lessor, or to those who are entitled to royalty payments hereunder, a like amount at the anniversary of each annual period following the initial annual shut-in period. This Lease may be maintained by shut-in payments made or tendered as provided herein indefinitely.

13. **Continuous Operations.** If during the last ninety (90) days of the Primary Term hereof, or at any time after the expiration of the Primary Term, production of Oil and Gas in paying quantities from the Leased Premises, or lands pooled therewith, should cease for any reason, or if during or after such ninety (90) day period and prior to the discovery of Oil and Gas on the Leased Premises, or lands pooled therewith, Lessee should complete a well as a dry hole, this Lease shall not terminate if Lessee commences or resumes additional operations on the Leased Premises, or lands pooled therewith within one hundred eighty (180) days after production ceased or the well was completed as a dry hole, whichever is applicable. If at the expiration of the Primary Term, Oil and Gas is not being produced in paying quantities from the Leased Premises, or lands pooled therewith, but the Lessee is then engaged in operations thereon, this Lease shall remain in force so long as operations are prosecuted (whether on the same or different wells) with no cessation of more than one hundred eighty (180) consecutive days, and if they result in production, so long thereafter as Oil and Gas is produced in paying quantities from the Leased Premises, or lands pooled therewith. The term "operations" as used in this Lease shall include, but not be limited to the drilling, testing, completing (including horizontal and directional wells), reworking, recompleting, deepening, plugging back, or repairing a well, together with all work preparatory, incident or related to any such operation, in search for or in an effort to obtain, restore, maintain or increase production of Oil and Gas.
14. **Limitations on Use of the Surface and of the Leased Premises; Damages.** No well may be drilled closer than two hundred (200) feet to any structure now on the Leased Premises without the written consent of Lessor. Lessee shall have the right to use free of cost, Gas, Oil and water produced from the Leased Premises for its operations thereon, except from Lessor's water wells. Lessee shall have the right at any time to remove all or part of the machinery, fixtures or structures placed on the Leased Premises by Lessee, including the right to draw and removing casing. Lessee shall pay for damages caused by its operations to growing crops, trees and fences located on the Leased Premises.
15. **Assignments.** The rights of either party may be assigned in whole or in part, and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns. However, no change of division in ownership of the Leased Premises or royalties however accomplished shall operate to enlarge the obligations or diminish the rights of Lessee. No such change or division in the ownership of the Leased Premises or royalties shall be binding upon the Lessee for any purpose until sixty (60) days after the person acquiring any interest has furnished Lessee with the instrument(s), or certified copies thereof, constituting his chain of title from the original Lessor herein. In the case of any assignment of this Lease as to any part of the Leased Premises, divided or undivided, all monies payable hereunder shall be apportioned among the several owners of the Leased Premises ratably according to the number of surface acres, or the undivided interest of each. Failure to pay one owner of the Leased Premises shall not affect the rights of the other owners hereunder.
16. **Surrender of Lease.** Lessee may surrender this Lease, or any part thereof for cancellation, after which all payments and liabilities hereunder shall cease as to that part of the Leased Premises so surrendered.
17. **Regulation, Delay and Force Majeure.** Lessee's obligations under this Lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including restrictions on the drilling and production of wells, and regulation of the price or transportation of Oil, Gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay, and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provisions or implied covenants of this Lease when drilling, production or other operations are so prevented or delayed.
18. **No Production.** Lessor, to the best of his knowledge, warrants the Lessor is not currently receiving any bonus, rental shut-in royalty or royalty on production on oil or gas pursuant to any prior oil and gas lease covering any or all of the Leased Premises, and that there are no wells producing in paying quantities on the Leased Premises, or on other lands within a drilling or production pool or unit that contains all or part of the Leased Premises.
19. **Lease Development.** Lessor hereby waives any implied covenant to drill, prevent drainage, further develop or market production during the Primary Term that may be imposed on Lessee.
20. **Default and Cure.** Lessor shall not declare Lessee in default under any provision of this Agreement, unless Lessor shall first notify Lessee in writing at the address above of Lessor's intention to declare such a

default, which shall specify the nature of the default in detail, and Lessee fails to cure said default within thirty (30) days after receipt of said notice.

21. **Entire Agreement.** This Lease constitutes the entire understanding between the parties hereto, and no representation, warranty or promise of behalf of either party shall be binding unless contained herein, or mutually agreed in writing by all parties hereto.
22. **Counterparts.** This Lease may be executed in any number of counterparts, each of which will be considered to be an original of this Agreement, and all of them taken together shall be considered one and the same Agreement.

EXECUTED as of the date first written above.

LESSOR:

By:

Name: Elmer Earl Bowser Jr., Special Commissioner

LESSEE:

Stone Energy Corporation

By:

Name: Roger L. Cutright, Land Manager

ACKNOWLEDGMENT BY LESSOR

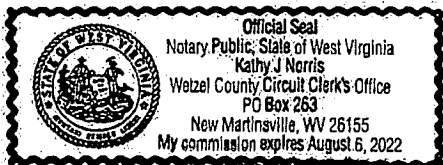
STATE OF

West Virginia

COUNTY OF

Wetzel

The foregoing instrument was acknowledged before me on this 17th day of July, 2015, by Elmer Earl Bowser Jr., in his capacity as a special commissioner.



Kathy J. Norris
Notary Public
My commission expires: Aug. 6, 2022

STATE OF _____

COUNTY OF _____

ACKNOWLEDGMENT BY LESSEE

STATE OF WEST VIRGINIA

COUNTY OF MONONGALIA

The foregoing instrument was acknowledged before me this _____ day of _____, 201____, by Roger L. Cutright, Land Manager, on behalf of Stone Energy Corporation, a Delaware corporation.

Notary Public

My commission is for life

This instrument was prepared by:

Andrew R. Cutright, Esquire and
Powell & Cutright, P.L.L.C.
256 High Street
Post Office Box 842
Morgantown, West Virginia 26507-0842
304-282-8488

MEMORANDUM OF LEASE

This Memorandum of Lease is made and entered into on the 17 day of July, 2015, by and between **Elmer Earl Bowser Jr., in his capacity as special commissioner for and on behalf of Emma Schupbach, Doris Durig Deplanty, Eliza F. Moore, and/or their heirs, successors, assigns, devisees, or distributees**, as Lessor, and Stone Energy Corporation, 625 East Kaliste Saloom Road Lafayette, LA 70508, c/o Land Department, a Delaware corporation licensed to do business in West Virginia as a foreign corporation, as Lessee.

Whereas, by that Oil and Gas Lease dated 7/17/15, 2015, Lessor agreed to lease to Lessee and Lessee agreed to lease from Lessor certain oil and gas rights in that certain parcel or tract of land situate in **Magnolia** District, **Wetzel** County, West Virginia, containing 38 1/4 acres, more or less, and being Map **08**, Parcel(s) **07**, and also the same real property interest and estate by that certain **Deed** placed of record in the Clerk's Office of **Wetzel** County, West Virginia in **Deed** Book # **286** at page # **621**; provided however that such description was intended to include all strips, tracts or parcels of land now owned or hereafter acquired by Lessor that are contiguous or adjacent to the lands described above, and all interests in the lands described above now owned or hereafter acquired by Lessor. ("Leased Property").

Whereas, the Lease shall remain in force for a primary term of five (5) years from the 17 day of July, 2015 and as long thereafter as either Oil and/or Gas are produced in paying quantities from the Leased Property or property unitized therewith.

Now, Therefore, Witnesseth: That in accordance with and pursuant to the provisions of West Virginia Code § 40-1-8, as in effect as of the date of this Memorandum, Lessor and Lessee hereby set forth the following information with respect to that certain Lease Agreement entered into and made by and between Lessor and Lessee:

1. LESSOR: **Elmer Earl Bowser Jr., in his capacity as special commissioner for and on behalf of Emma Schupbach, Doris Durig Deplanty, Eliza F. Moore, and/or their heirs, successors, assigns, devisees, or distributees.**
2. LESSEE: Stone Energy Corporation
3. LESSEE'S ADDRESS: c/o Land Department, 625 East Kaliste Saloom Road, Lafayette, LA 70508
4. LEASE AGREEMENT EXECUTION DATE: 7/17/15
5. LEASE TERM:
 - (a) COMMENCEMENT DATE: 7/17/15
 - (b) TERMINATION DATE: 7/17/20 unless either Oil and/or Gas are produced in paying quantities from the Leased Property or property unitized therewith.
 - (c) EXTENSION PERIOD OPTION: [yes/no]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum to be executed and effective as of the date first set forth above.

[Signature Page Follows]



Elmer Earl Bowser Jr., Esq., Special
Commissioner

Stone Energy Corporation
a Delaware Corporation

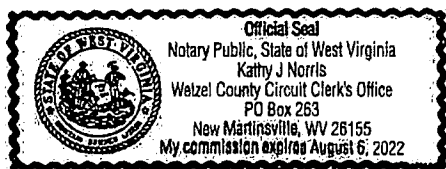
By: _____
Roger L. Cutright
Its: Land Manager

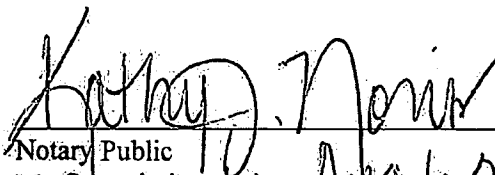
ACKNOWLEDGMENT BY LESSOR

STATE OF West Virginia
COUNTY OF Wetzel, TO-WIT:

The foregoing instrument was acknowledged before me on this 17th day of July 2015
2015 by Elmer Earl Bowser, Jr., Special Commissioner.

{SEAL}




Notary Public
My Commission expires: Aug. 6, 2022

ACKNOWLEDGMENT BY LESSEE

STATE OF WEST VIRGINIA

COUNTY OF MONONGALIA

The foregoing instrument was acknowledged before me this _____ day of _____, 2015 by
Roger L. Cutright, Land Manager, on behalf of Stone Energy Corporation, a Delaware corporation.

Notary Public
My commission expires: _____

DIANE MARCOTTE CORWIN (BS PE, MBA)

EDUCATION

TULANE UNIVERSITY- New Orleans, LA

Master in Business Administration '97

LOUISIANA STATE UNIVERSITY – Baton Rouge, LA

Bachelor of Petroleum Engineering '80

WORK HISTORY CAREER PROGRESSION

STONE ENERGY - Morgantown, WV

Operations Manager 10/2013- present. Manages the upstream operations of the gas/condensate production (surface well & subsurface reservoir performance), well pad site construction, gas/condensate/water pipeline installation, and surface processing facilities design/commissioning/maintenance for the Stone's development of the Marcellus & Utica unconventional shale in the Appalachia Basin. In addition, responsible for interfacing with midstream company as well as addressing regulatory, safety & environments issues. Focuses on delivering production at target levels to generate revenue, driving project efficiencies, while controlling operating cost to achieve net income to meet financial performance goals.

NORTHEAST NATURAL ENERGY - Morgantown, WV

General Manager Operations 10/2011- 10/2013. Manages the gas well production and development operations (surface & subsurface) focusing on the shallow conventional Devonian, and deeper Marcellus, and Utica plays-unconventional shale gas. Manages cross-functional activities including project planning and execution of the well drilling and completions, as well as the site facility (surface production equipment and pipelines), and construction work. Achieves gas production optimization and delivers business plan results. Responsible for addressing regulatory, safety & environments issues.

SENECA UPSHUR PETROLEUM - Buckhannon, WV

Vice President & General Manager 7/2004- 10/2011. Carry out Vice President & General Manager Duties for Seneca-Upshur dba National Grid Production and Development operations (e.g., managing staff of ~30, 1300 producing gas wells) in Buckhannon, WV. Provide technical/functional Petroleum Engineering. Develop Business Plan, including vision, scenarios, goal/objectives, strategies, operation plan, and financial plan, well works reinvestment level, and recommendations on daily gas production operations. Provide leadership – work direction (e.g., establish short & long term needs, set priorities) & provide decision making. Achieve business performance/operational excellence, and evaluate growth opportunities/ ways to create value, and deliver results. Conduct asset management & business planning, and develop strategic business plan (3 year). Improve work processes, build infrastructure (manpower, building) and systems (production accounting, engineering, geologic, land, legal, reserve reporting) for stand alone operations in Buckhannon. Provide internal & external communications, reporting, & requests. Meet environmental, safety & health expectations

EG&G TECHNICAL SERVICES, INC - Morgantown, WV (*Technical consulting firm to the Department of Energy's National Energy Technology Lab*)

Program Manager – EG&G 4/2002 – 7/2004. Provide direct supervision to a team of 12 geologist, engineers and computer programmers proving onsite multi-disciplinary engineering analysis and support to the National Energy Technology Laboratory (NETL). Provide managerial planning, control and direction to a highly experience team of professionals conducting research and analysis projects in the areas of natural gas and oil exploration and production storage, transmission, reservoir and resource modeling and geologic sequestration of CO₂. Provide analysis to

NETL's senior management on issues and trends (economic, technological and regulatory) in gas exploration, production, transmission, supply and use. Directly support the maintenance of the current business base and develop and implement new business strategies for increasing the work levels in the areas of natural gas exploration, drilling and recovery areas.

CHEVRON CORPORATION – San Francisco, CA (*Major petroleum exploration and production company*) – various assignments in Business Management, Planning, Project Execution, Technical Consultation, and Supervision.

Upstream Chevron/Texaco Merger Execution Planning Manager, San Ramon, CA 1/2001- 11/2001

Reported to Upstream Merger Manager. Managing the development of execution plans for Upstream Chevron/Texaco Merger (Exploration and Production/Engineering operations for both domestic and international). Focusing on the business goal of the merger to deliver multi-million dollar cost savings synergies by combining the two companies. *Successful completed detailed Execution Plans (including major steps, tactics, responsibilities and timing for all seventeen Upstream Business Units), and started implementing actions as of Day 1. Through my management, we lead the way – pacesetter for other integration groups.*

Asset Team Manager, Malongo, Cabinda, Africa 1/97-/12/2000

Reported to Operations Manager. Directs Asset Team of 40 engineers, geologists and technicians, in managing 10 offshore oil fields valued at approximately \$500-600 million. Provide all team guidance, technical mentoring, and supervision. Set financial goals and administer yearly operating budget of over \$ 1.5 Billion over the next 5 years.

Engineering Functional Supervisor and Asset Team Leader, New Orleans, LA 7/1/93- 1/1/97

Reported to Profit Center Manager. Cross-functional team leader role (team of Petroleum Engineers, Geology, Drilling Engineers, & Facility engineers). Member of the Business Team, and Petroleum Engineering Technical Supervisor, responsible for developing and implementing the Profit Center Business Plan, leading/facilitating the Field Management Team to achieve goals and tactical plans, and to achieve the Profit Center targets.

Summary of other Career Assignments, New Orleans, LA 6/80-7/93

- **Senior Petroleum Engineer**, New Orleans, LA 8/1/92 –7/1/93 Reported to Staff Petroleum Engineering Manager. Responsible for input to yearly goals, and developing and carrying out tactical plans.
- **Reserve Reporting & Production Forecasting Manager**, New Orleans, LA 12/1/89-8/1/92 Manage reserve reporting & production forecasting for the Gulf of Mexico Production Business Unit (445 Oil & Gas Fields, 8175 reservoirs, 2900 Properties, 40,100 CCRS Records).
- **Property Evaluation (Sales and Acquisition) Engineer**, New Orleans, LA 1/1/88-12/1/89 Responsible for evaluating and making recommendations on properties for sales, acquisition, and trades. This includes: selecting, field candidates, making economic evaluation, obtaining corporate approval, marketing the property through sales brochures, and handling the closing of the sale
- **Research Engineer & Technical Supervisor**, La Habra, CA 1/1/86-1/1/88 Responsible for performing research/field trial to improve oil and gas wells performance for the Corporation
- **Various Production, Drilling, & Reservoir Engineer Assignments**, New Orleans, LA 12/1/82 -1/1/86 Responsible for optimizing and maintaining oil and gas production for various fields offshore Gulf of Mexico.



west virginia department of environmental protection

Oil and Gas Conservation Commission
601 57th Street, SE Charleston, WV 25304
(304)926-0499, Ext 1656

Earl Ray Tomblin, Governor
Barry K. Lay, Chairman
www.wvdep.org

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE APPLICATION BY STONE ENERGY CORPORATION FOR AN ORDER FROM THE COMMISSION FOR AN EXCEPTION TO THE SPACING REQUIREMENTS AND TO ESTABLISH A 487.85 ACRE DRILLING UNIT AND POOLING OF UNLEASED TRACTS AND INTERESTS OF OIL AND GAS OWNERS AND OPERATORS WHO HAVE NOT ENTERED INTO VOLUNTARY AGREEMENTS ALLOWING FOR THE DEVELOPMENT AND OPERATION OF THE UNIT. SAID UNIT TO BE LOCATED IN PROCTOR DISTRICT, WETZEL COUNTY, WEST VIRGINIA.

DOCKET NO. 233
CAUSE NO. 223

NOTICE OF HEARING

Stone Energy Corporation ("Stone") has requested the WV Oil and Gas Conservation Commission review and approve a request for an exception to the spacing requirements as set forth in CSR §39-1-4.2, and also establish a 487.85 acre drilling unit and pooling of unleased tracts and interests of operators for the development and operation of the unit in Wetzel County, West Virginia, pursuant to Chapter 22C-9-7(b).

The matter has been scheduled as stated below:

DATE: July 24, 2015

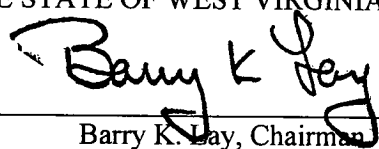
TIME: 1:00 p.m.

PLACE: Department of Environmental Protection
Oil and Gas Conservation Commission
601 57th Street, SE
Charleston, WV 25304

IN THE NAME OF THE STATE OF WEST VIRGINIA

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA

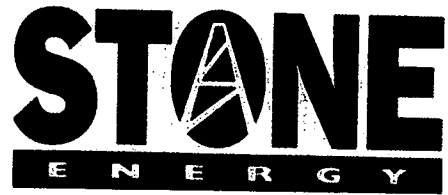
By: _____


Barry K. Lay, Chairman

Dated this 23rd day of June, 2015, at Charleston, West Virginia.

Promoting a healthy environment.

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508



May 6, 2015

Oil and Gas Conservation Commission
Department of Environmental Protection
Attention: Cindy Raines
601 57th Street
Charleston, WV 25304

Re: Erlewine 12HU, 14HU, and 16HU Deep Well Application

Dear Ms. Raines:

Please find enclosed an original and two copies of Stone Energy Corporation's ("Stone") supplemental application to form a deep well drilling unit around the Erlewine 12HU, 14HU, and 16HU wells and obtain a variance to the 3000' spacing requirement set forth in W. Va. CSR § 39-1-4.2. In accordance with W. Va. CSR § 39-1-4.3, Stone requests a hearing to offer support for these requests.

Should you have any questions, please feel free to contact me at 304.225.1789.

Respectfully,

A handwritten signature in black ink that reads "Roger L. Cutright". The signature is fluid and cursive, with a large loop at the beginning.

Roger L. Cutright
Land Manager and Special Counsel

Received
Office of Oil & Gas
MAY 07 2015

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WEST VIRGINIA**

IN THE MATTER OF THE SUPPLEMENTAL
APPLICATION BY STONE ENERGY CORPORATION,
A DELAWARE CORPORATION, FOR AN
EXCEPTION TO THE 3000' SPACING REQUIREMENT
SET FORTH IN W. VA. CSR § 39-1-4.2 AND FOR THE
POOLING AND UNIT OPERATION OF A 487.85-ACRE
DEEP WELL UNIT FOR PRODUCTION OF OIL AND
GAS IN PROCTOR DISTRICT, WETZEL COUNTY,
WEST VIRGINIA

DOCKET NO. _____
CASE NO. _____

**SUPPLEMENTAL APPLICATION
For Pooling and Spacing Exceptions**

NOW COMES STONE ENERGY CORPORATION, a Delaware corporation, ("Applicant") and gives notice of its intention to direct the bottom of the Erlewine 12HU, 14HU, and 16HU wells away from vertical and (1) pursuant to W. Va. CSR § 39-1-4.3, requests an exception to the 3,000' spacing requirement set forth in W. Va. CSR § 39-1-4.2, and (2) pursuant to W. Va. CSR § 22C-9-7(b), requests an order requiring the pooling of oil and gas interests in certain lands for the development and operation of a 487.85-acre drilling unit for the Erlewine 12HU, 14HU, and 16HU wells. In support of its Supplemental Application, Applicant states as follows:

1. Applicant is a Delaware corporation engaged in the production of oil and gas within the State of West Virginia and is an operator within the meaning of W. Va. Code § 22C-9-2(a)(4). The Applicant is a qualified and experienced operator of oil and gas wells, including horizontal wells, in West Virginia. The Applicant's address is:

Stone Energy Corporation
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508

2. Applicant desires to pool interests and form a 487.85-acre unit (the "Unit), drill the Erlewine 12HU, Erlewine 14HU, and Erlewine 16HU wells in the Point Pleasant Formation, and operate the wells and unit for the production of oil and gas in Proctor District, Wetzel County, West Virginia, to be known as the Erlewine Utica Unit B, as more particularly described and depicted on the plats identified collectively as **Exhibit A** attached hereto. Each plat was drawn to the scale of 1 inch equal to 2000 feet showing the area involved, and prepared by a licensed land surveyor. In addition, each plat shows:

- a. the boundaries of the proposed drilling unit;
- b. the distance from the proposed well to the nearest outside boundary of the proposed unit;
- c. the acreage of each tract within the unit;
- d. all deep oil and gas wells completed, drilled, or permitted within a distance of 2 miles, including all abandoned deep wells within 1 mile, if any, and the distance to each;
- e. the proposed or actual location of the Erlewine 12HU, 14HU, and 16HU wells as determined by survey, the courses and distances of such location from two (2) permanent points or landmarks on said tracts and the number to be given the deep well;
- f. the location at which deep oil or gas wells have been drilled or could be drilled in accordance with the applicable special field order or rule; and

**Received
Office of Oil & Gas**

MAY 07 2015

- g. all wells, including shallow wells and dry and abandoned wells located in the Unit Area, all of which are properly designated by name and known permit numbers.

3. Applicant requests a variance to allow it to locate the Erlewine 12HU, 14HU, and 16HU wells within less than 3000' of each other. Applicant believes such spacing will allow for the most efficient development of the oil and gas within the Unit Area and minimize the potential for waste.

4. Topographical maps showing the surface topography of the surface location of the Erlewine 12HU, 14HU, and 16HU wells and the adjoining areas are attached as **Exhibit B**.

5. **Exhibit C**, entitled Offset Operators, shows the names and addresses of unleased mineral owners and lessees of tracts adjacent to the proposed unit.

6. Applicant requests that notice of this application be given to those listed on Exhibit C, and that notice be published and otherwise given as required by law.

7. The vertical portion of the Erlewine 12HU, 14HU, and 16HU wells will be drilled on that certain 135-acre tract or parcel being identified by reference to Map 6, Parcel 46 ("Drill Site").

8. Applicant has obtained 100% of the leasing rights for the Drill Site by and through the following leases (the "Well Location Leases"):

- a. from Richard L. Erlewine, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 134A, page 131;
- b. from Ronald Carney and Glenna R. Carney, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 459;
- c. from Ralph Douglas Huff and Jean Huff, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 461;
- d. from Joyce Ellen Cokeley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 465;
- e. from Nita Adkins and Ronald R. Adkins, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 463;
- f. from Jill Stanley, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 469;
- g. from Charlene Wade and Gary L. Wade, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 471;
- h. from Judy Bertrand, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 467;
- i. from Doreen Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 473;
- j. from Gerald Judge, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 123A, page 475;
- k. from Thomas E. Miller and Jean Ann Miller, husband and wife, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 132A, page 366; and
- l. from David C. White, in his capacity as special commissioner for and on behalf of Paul Loman Miller, and/or his heirs, successors, assigns, devisees or distributees, to Stone Energy Corporation, recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Lease Book 161A, page 76.

Received
Office of Oil & Gas
MAY 07 2015

9. The Erlewine 12HU well will be drilled from surface at an azimuth of 210 degrees, 1,508' to a Landing Point, then at an azimuth of 145 degrees, 6,000' to the Ending Point; the Erlewine 14HU well will be drilled from surface at an azimuth of 159 degrees, 805' to a Landing Point, then at an azimuth of 145 degrees, 5,405' to the Ending Point; the Erlewine 16HU well will be drilled from surface at an azimuth of 91 degrees, 1,213' to a Landing Point, then at an azimuth of 145 degrees, 5,604' to the Ending Point. The Erlewine 12HU, 14HU, and 16HU wells will be completed in the Point Pleasant formation, and a unit is requested with respect to that formation.

10. In addition to, and separate and apart from its lease rights, Applicant has entered into a written consent and easement with the owners of the Drill Site for the drilling of the Erlewine 12HU, 14HU, and 16HU wells pursuant to W. Va. Code § 22C-9-7(b)(4), a copy of which is attached hereto as **Exhibit D** ("Statutory Consent and Easement"). In addition, Applicant has obtained an Amendment to Surface Use and Damages Agreement with the surface owner, Richard L. Erlewine, dated February 20, 2014, a Memorandum of which was recorded in the office of the Clerk of the County Commission of Wetzel County, West Virginia in Book 160A, page 292.

11. Of the 487.85 acres in the proposed Erlewine Utica Unit B, 6.55 net acres are unleased and owned by those identified on **Exhibit E**, entitled Unit Interest of Unleased Owners.

12. The production of oil and gas from the Unit can be allocated in such a manner as to ensure the recovery by Applicant and the oil and gas royalty owners and operators of properties in the proposed unit of their just and equitable share of such production.

13. Applicant requests that notice of this application be published and given to all necessary parties.

14. An order requiring the unit operation of the Unit for the production of oil and gas is reasonably necessary for the protection of correlative rights, prevention of waste and the drilling of unnecessary wells.

15. A verification of this application is attached and incorporated herein.

WHEREFORE, Applicant respectfully requests that:

a. This Commission conduct such hearings as are required by law regarding the requests stated herein; and

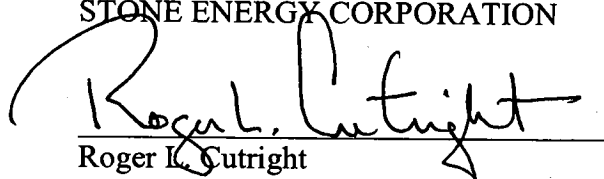
b. The Commission enter an order requiring the unitization of lands as requested herein for the operation of deep oil and gas wells; and

c. The Commission enter an order approving all necessary exceptions to the Commission's rules regarding the well locations; and

d. The Commission receive the elections provided by W. Va. Code § 22C-9-7(b) and enter one or more orders as contemplated by law in connection with this application; and

e. For such further or other relief as the Commission may find just and proper.

STONE ENERGY CORPORATION



Roger L. Cutright
Land Manager and Special Counsel
1300 Fort Pierpont Drive, Suite 201
Morgantown, WV 26508
304-225-1789

Received
Office of Oil & Gas

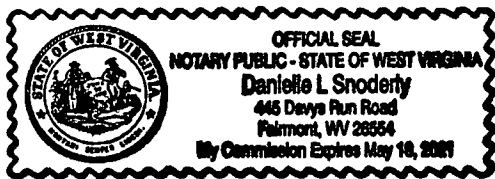
MAY 07 2015

VERIFICATION

STATE OF WEST VIRGINIA
COUNTY OF MONONGALIA, to wit:

This day personally appeared before me, the undersigned, Roger L. Cutright, who being by me first duly sworn, deposes and says that he is the Land Manager and Special Counsel of Stone Energy, Inc., Applicant in the foregoing Supplemental Application and knows the contents thereof pertaining to its claims and allegations; that the facts set forth therein are true, except as to such matters as are therein stated to be upon information and belief, and that insofar as matters are therein stated to be upon information and belief, he believes them to be true.

The foregoing instrument was acknowledged before me on this 7th day of May, 2015 by Roger L. Cutright, Land Manager and Special Counsel.



Danielle L. Snodery
Notary Public
My commission expires: 5/18/2021

Received
Office of Oil & Gas
MAY 07 2015

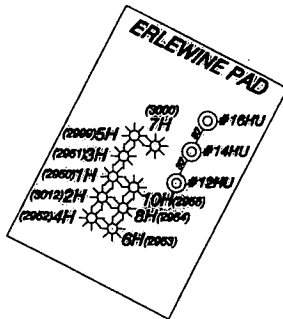
ERLEWINE #12HU

(SEE PAGE 2 OF 2 FOR PLAT)

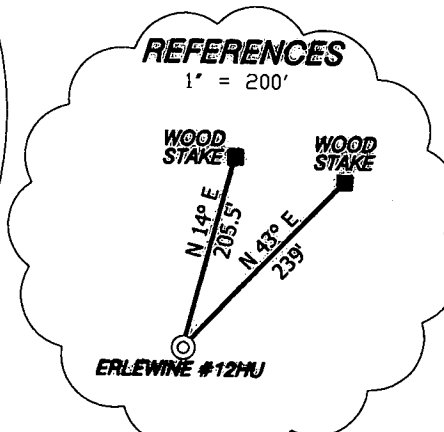
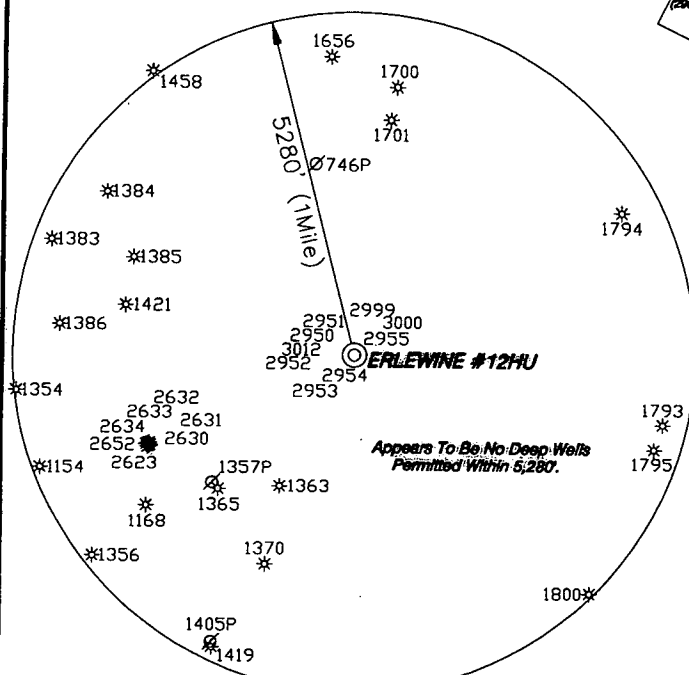
ERLEWINE #12HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 483070 (E) 1654822	L & L DECIMAL NAD 27 58.82544 80.70717	UTM (NAD 83) ZONE 17 METERS 483070 1654822 617408

ERLEWINE #12HU LANDING POINT		
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 482985 (E) 1654175	L & L DECIMAL NAD 27 58.87283 80.78650	UTM (NAD 83) ZONE 17 METERS 482985 1654175 617165

ERLEWINE #12HU BOTTOM HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27 (N) 487483 (E) 1687618	L & L DECIMAL NAD 27 59.60647 80.78731	UTM (NAD 83) ZONE 17 METERS 487483 1687618 618288



ERLEWINE #12HU			
TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	ERLEWINE, RICHARD L.	135.0±	72.8±
B	SEA CONSTRUCTION, INC.	53.0±	8.0±
C	SHENEN ESTATES, INC.	5.0±	5.0±
D	SHENEN ESTATES, INC.	17.875±	3.4±
E	SHENEN ESTATES, INC.	23.5±	8.9±
F	MARY JO BURTON	78.78±	34.4±
G	SHENEN ESTATES, INC.	38.5±	38.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	DAVER MATERIALS SCIENCE LLC	4.0±	3.8±
J	DAVER MATERIALS SCIENCE LLC	89.5±	84.8±
K	DAVER MATERIALS SCIENCE LLC	35.9±	31.1±
L	APPLALONIA CORPORATION	25.0±	6.2±
M	APPLALONIA CORPORATION	23.0±	8.9±
N	APPLALONIA CORPORATION	15.0±	8.8±
O	APPLALONIA CORPORATION	20.0±	20.0±
P	WANDA R. SPRINGSTON	88.35±	78.9±
Q	MICHAEL D. HILL & BOBBIE L. HILL	88.0±	2.9±
R	SHARON L. NORTON	1.85±	1.85±
S	RUTH E. BLAKE	124.0±	48.9±
T	RUTH E. BLAKE	14.5±	14.5±
U	GASTAR EXPLORATION USA, INC.	42.0±	7.1±
V	ROBERT J. POWELL & DANIEL J. POWELL	10.3±	2.0±
W	PETER & STANLEY	128.9±	1.9±
X	SEA CONSTRUCTION, INC.	83.82±	5.0±
UNIT TOTAL		487.85±	



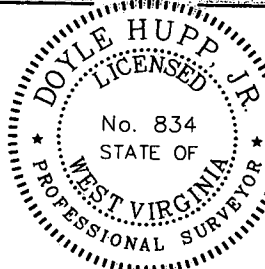
NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD 27.
4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
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I THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 2015

OPERATORS WELL NO. ERLEWINE #12HU

API WELL NO. 47-103-
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE SCALE 1" = 1000'
OF ELEVATION SG-GPS (OPUS)

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL GAS X INJECTION WASTE DISPOSAL "GAS" PRODUCTION X STORAGE DEEP X SHALLOW

LOCATION : ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK

DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±

PROPOSED WORK : LEASE NO.

DRILL X CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE X PLUG OFF OLD

FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER

PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT

ESTIMATED DEPTH TVD-11,360' MD-18,060'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

Received
Office of Oil & Gas
MAY 07 2015

ERLEWINE #12HU

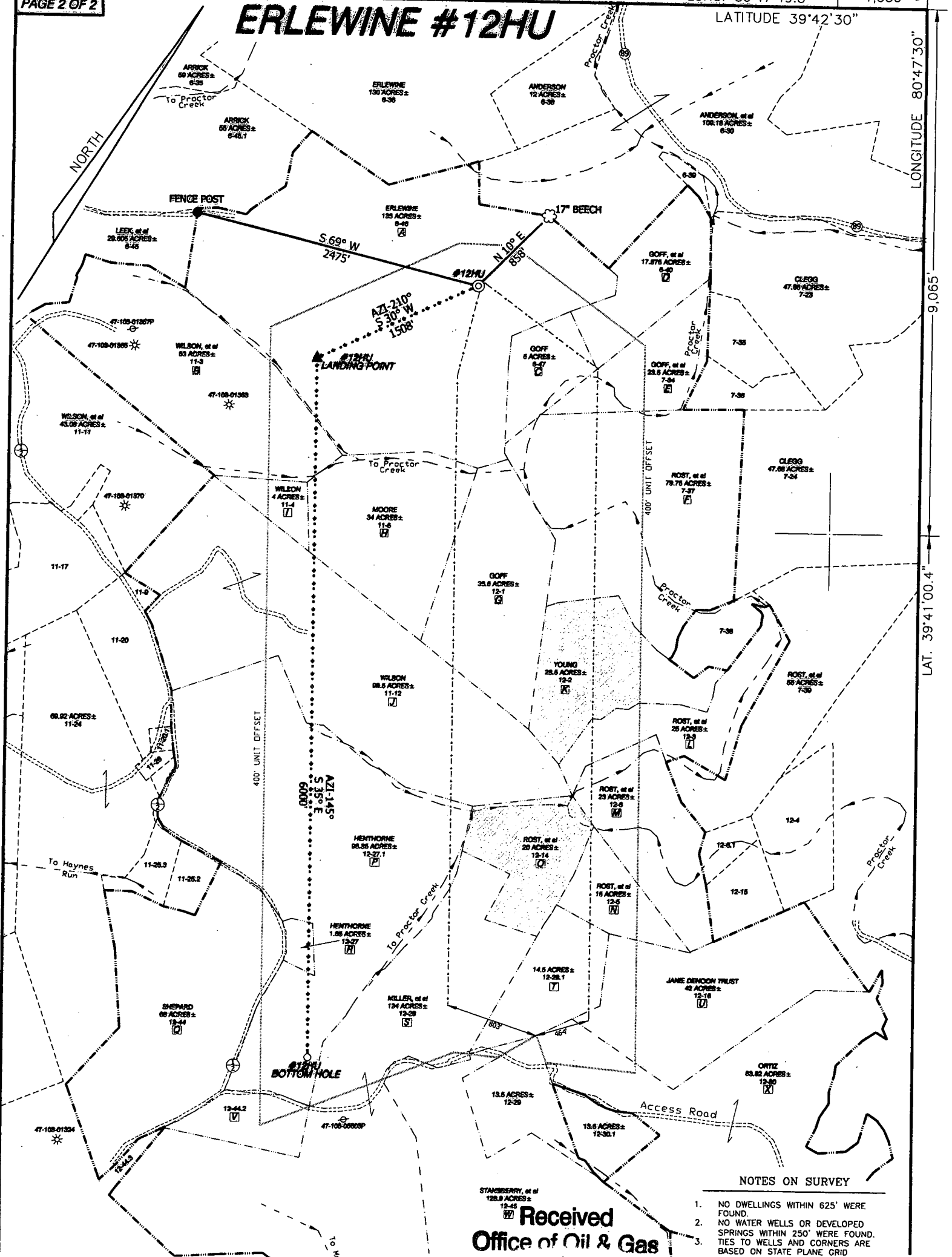
LONG. 80°47'49.8" 1,530'

LATITUDE 39°42'30"

LONGITUDE 80°47'30"

9,065'

LAT. 39°41'00.4"



LEGEND

EXTERIOR LEASE BOUNDARY	---
INTERIOR LEASE BOUNDARY	- - - -
SURFACE BOUNDARY	---
CREEK/STREAM	~~~~~
ROADS	---
PROPOSED #12HU LATERAL
PROPOSED LATERALS
UNIT BOUNDARY	---
UNIT TRACT	---
PERMITTED WELL	⊙
ROAD/ROUTE NUMBER	⊕
FORCED POOLING	⊕

API WELL NO. **47-103-12HU**

STATE _____ COUNTY _____ PERMIT _____

DATE **APRIL 27**, 20 **15**

OPERATORS WELL NO. **ERLEWINE #12HU**

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Received
Office of Oil & Gas
MAY 07 2015

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P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net

WELL OPERATOR **STONE ENERGY CORPORATION** DESIGNATED AGENT **TIM MCGREGOR**

ADDRESS **P.O. BOX 52807 LAFAYETTE, LA 70508** ADDRESS **1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508**

COUNTY NAME

PERMIT

ERLEWINE #14HU

(SEE PAGE 2 OF 2 FOR PLAT)

BULKHEAD #14H SURFACE HOLE		
STATE PLANE COORDINATES	L & L DECIMAL	UTM (NAD 83)
NORTH ZONE AND 27	NOID 37	ZONE 17
(N) 438067	50.05051	METERS
(E) 1694045	80.70718	4382059
		517412

ERLEWINE #141U
LANDING POINT

STATE PLANE
COORDINATES
NORTH ZONE NAD 27
(N) 432240
(E) T63254

L & L DECIMAL
NAD 27
38.89148
80.78608

UTM (NAD 83)
ZONE 17
METERS
4382432
8078604

ENLEWING #147U
 BOTTOM HOLE

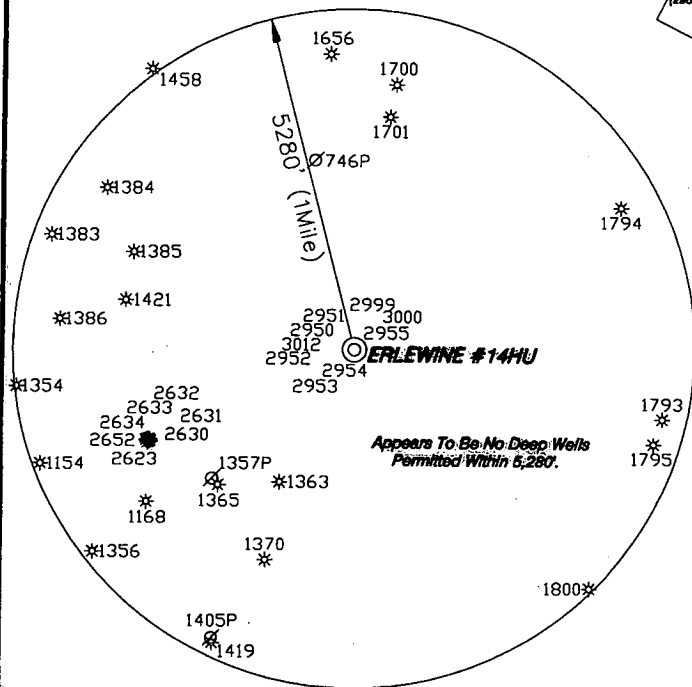
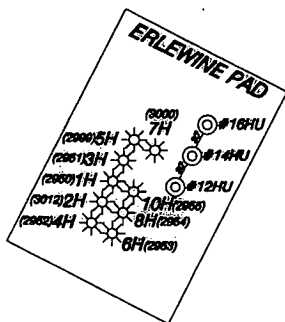
 STATE PLANE
 COORDINATES
 NORTH ZONE NAD 27

 (N) 420617
 (E) 1686332

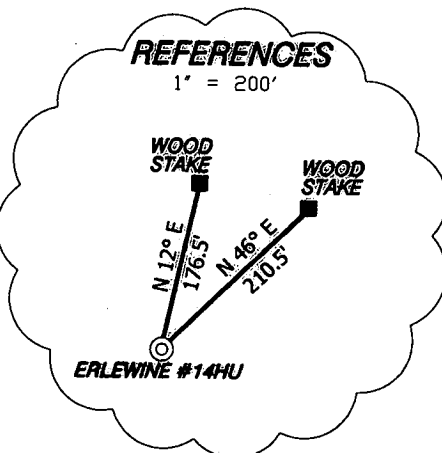
 L & L DECIMAL
 NAD 27
 58.80642
 60.76483

 UTM (NAD 83)
 ZONE 17
 METERS
 4391008
 576470

TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	HOWARD L. ERLEWINE	138.0±	72.0±
B	BNA CONSTRUCTION, INC.	63.0±	6.8±
C	SHIBEN ESTATES, INC.	6.0±	6.0±
D	SHIBEN ESTATES, INC.	17.87±	3.4±
E	SHIBEN ESTATES, INC.	23.6±	6.8±
F	MARY JO BURTON	78.78±	34.4±
G	SHIBEN ESTATES, INC.	36.6±	36.6±
H	OLADIS ANTHONY	34.0±	34.0±
I	BAKER MATERIALS SCIENCE LLC	4.0±	3.6±
J	BAKER MATERIALS SCIENCE LLC	96.6±	64.8±
K	CLAYTON ANTHONY	28.6±	24.4±
L	ANTHONY PERFORMANCE APPLICATION CORPORATION	26.0±	6.2±
M	ANTHONY PERFORMANCE APPLICATION CORPORATION	23.0±	8.8±
N	ANTHONY PERFORMANCE APPLICATION CORPORATION	16.0±	8.6±
O	ANTHONY PERFORMANCE APPLICATION CORPORATION	20.6±	10.4±
P	WANDA R. SPRINSTEIN	98.36±	78.8±
Q	ARMSTRONG & TAYLOR & ROBERT L. HALL	68.0±	2.9±
R	SHARON L. HENTHORN	1.86±	1.86±
S	RUTH E. BLAKE	124.0±	48.8±
T	RUTH E. BLAKE	14.6±	14.6±
U	GASTAR EXPLORATION LBA, INC.	42.0±	7.1±
V	ROSEN L. FOWELL & FOWELL & BLAKE CORP.	70.3±	2.0±
W	PETER & STANISLAW	128.8±	1.3±
X	GEN PRODUCTION COMPANY, LLC	83.92±	6.0±
		UNIT TOTAL	482.86±



REFERENCES

$$1'' = 200'$$


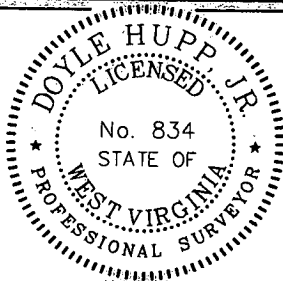
NOTES ON SURVEY

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2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
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I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION

P.S.
834

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27 20 15

OPERATORS WELL NO. ERLEWINE #14HU

API
WELL NO. 47-103-

STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SG-GPS (OPUS) SCALE 1" = 1000'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL ☐ GAS ☒ LIQUID INJECTION ☐ WASTE DISPOSAL ☐ IF "GAS" PRODUCTION ☐ STORAGE ☐ **Office of Oil & Gas** ☒ SHALLOW ☐

ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK

DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'

SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±

ROYALTY OWNER	RICHARD ERLEWINE, et al	LEASE ACREAGE	487.85+
---------------	-------------------------	---------------	---------

PROPOSED WORK : _____ LEASE NO _____

PROPOSED WORK: _____ LEASE NO. _____

DRILL ☒ CONVERT _____ DRILL DEEPER _____ REDRILL _____ FRACTURE OR STIMULATE ☒ PLUG AND ABANDON _____

DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR. STIMULATE ^ PLUG OFF OLD
FORMATION REPERFORATE NEW FORMATION PLUG AND ABANDON CLEAN

FORMATION _____ PERFORATE NEW FORMATION _____ PLUG AND ABANDON _____ CLEAN OUT AND REPLUG _____ OTHER _____

PHYSICAL CHANGE IN WELL (SPECIFY)

PHYSICAL CHANGE IN WELL (SPECIFY) _____ TARGET FORMATION UTICA/POINT PLEASANT

ESTIMATED DEPTH TVD-11,350' MD-17,280'

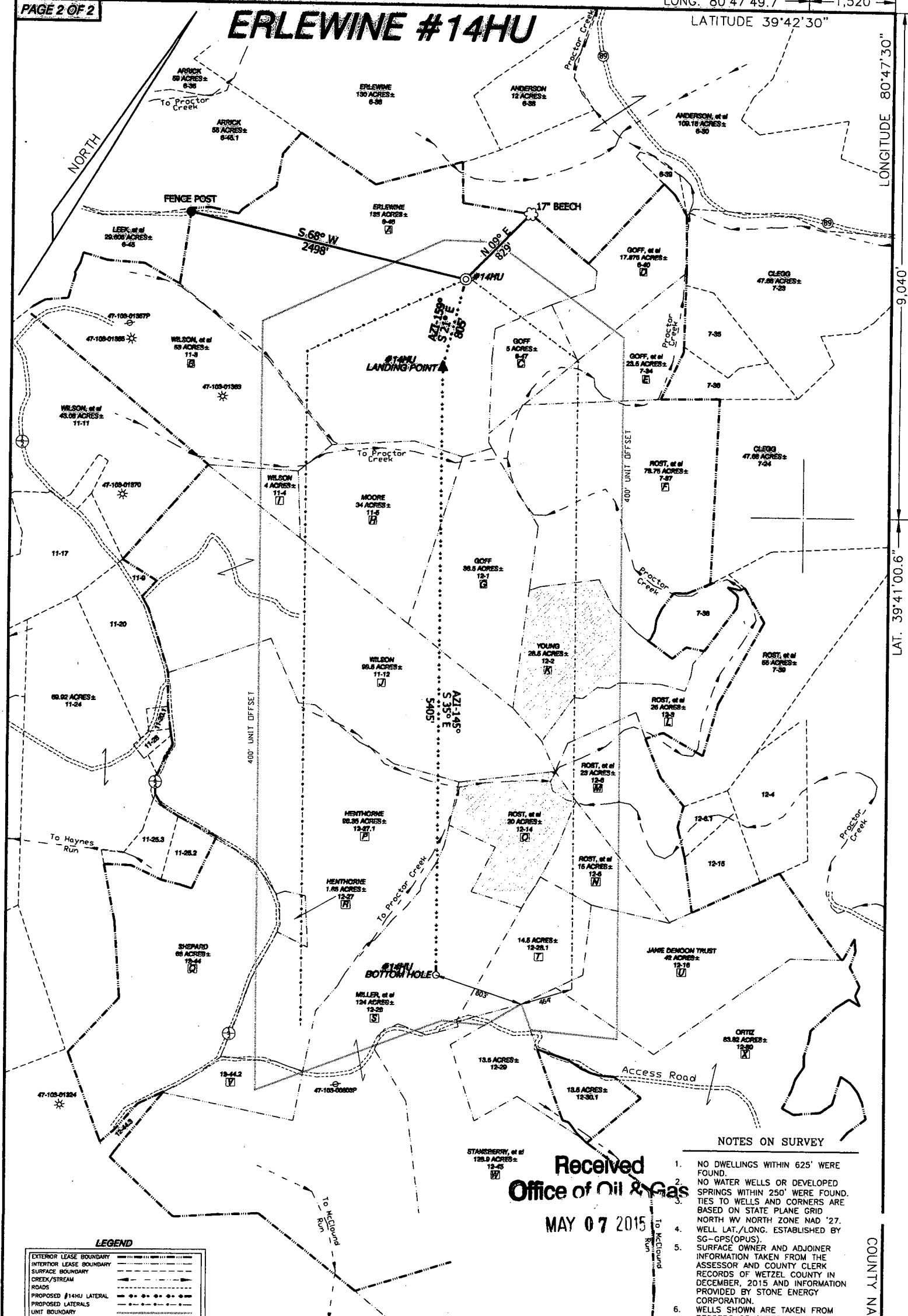
WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERRONT DR. SUITE 201 MORRISTOWN, NJ 07960

ADDRESS 1500 FORT LERFORD DR., SUITE 201 MORGANTOWN, WV 26505

LONGITUDE 80°47'30"

ERLEWINE #14HU



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COUNTY NAME

PERMIT

LEGEND

EXTERIOR LEASE BOUNDARY
 INTERIOR LEASE BOUNDARY
 SURFACE BOUNDARY
 CREEK/STREAM
 ROADS
 PROPOSED §146U LATERAL
 PROPOSED LATERALS
 UNIT BOUNDARY
 UNIT TRACT
 PERMITTED WELL
 ROAD/ROUTE NUMBER
 FORCED POOLING

HUPP Surveying & Mapping
P.O. Box 647 Grantsville, WV 26147
 (304) 354-7035 EMAIL: hupp@frontiernet.net

API
WELL NO. 47-103 -
STATE COUNTY PERMIT
DATE APRIL 27, 20 15
OPERATORS WELL NO. ERLEWINE #14HU

WELL OPERATOR	STONE ENERGY CORPORATION	DESIGNATED AGENT	TIM MCGREGOR
ADDRESS	P.O. BOX 52807 LAFAYETTE, LA 70508	ADDRESS	1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

ERLEWINE #16HU

(SEE PAGE 2 OF 2 FOR PLAT)

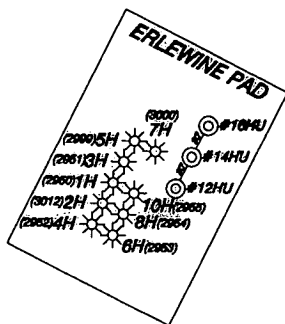
ERLEWINE #16HU SURFACE HOLE		
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27	UTM (NAD 83) ZONE 17 METERS
(N) 433724 (E) 163488	58.6538 60.79708	433724 617418

ERLEWINE #16HU LANDING POINT	
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27
(N) 433724 (E) 163488	58.6538 60.79708
UTM (NAD 83) ZONE 17 METERS	
433724 617418	

ERLEWINE #16HU BOTTOM HOLE	
STATE PLANE COORDINATES NORTH ZONE NAD 27	L & L DECIMAL NAD 27
(N) 433724 (E) 163488	58.6538 60.79708
UTM (NAD 83) ZONE 17 METERS	
433724 617418	

ERLEWINE #16HU

TRACT ID	LESSOR	LEASED ACRES	UNIT ACRES
A	ERLEWINE #16HU	135.0±	72.6±
B	DBA CONSTRUCTION, INC.	53.0±	8.6±
C	SHIBEN ESTATES, INC.	5.0±	5.0±
D	SHIBEN ESTATES, INC.	17.875±	3.4±
E	SHIBEN ESTATES, INC.	23.0±	6.9±
F	MARY JO BURTON	79.75±	34.4±
G	SHIBEN ESTATES, INC.	36.5±	36.5±
H	GLADYS ANTHONY	34.0±	34.0±
I	BAVER MATERIALS SCIENCE LLC	4.0±	3.6±
J	BAVER MATERIALS SCIENCE LLC	58.5±	64.8±
K	BAVER MATERIALS SCIENCE LLC	36.5±	37.1±
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M	APPLACADON CORPORATION	23.0±	8.9±
N	APPLACADON CORPORATION	15.0±	8.0±
O	APPLACADON CORPORATION	43.5±	37.4±
P	RAMONA A. SPRINGSTON	58.35±	78.9±
Q	MARION O. HALL & BOBBIE L. HALL	66.0±	2.3±
R	SHARON L. HENTHORN	1.85±	1.85±
S	RUTH E. BLANE	124.0±	40.8±
T	RUTH E. BLANE	14.5±	14.5±
U	CASPAR EXPLORATION USA, INC.	42.0±	7.1±
V	ROBERT L. POWELL & DORIS L. BLANE-CORRELL	10.3±	2.0±
W	PETER G. STANLEY	128.9±	1.3±
X	SHIBEN ESTATES, INC.	53.82±	5.0±
UNIT TOTAL		487.85±	



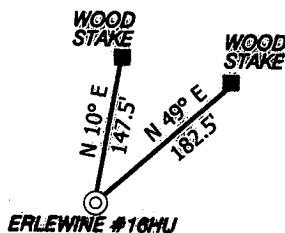
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9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

REFERENCES

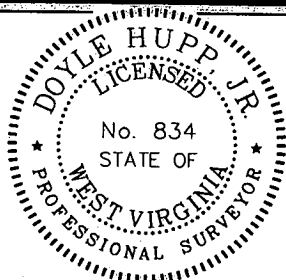
1" = 200'



I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS PLAT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND SHOWS ALL THE INFORMATION REQUIRED BY LAW AND THE RULES ISSUED AND PRESCRIBED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

P.S.
834

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(304) 354-7035 EMAIL: hupp@frontiernet.net



(+) DENOTES LOCATION OF WELL ON UNITED STATES TOPOGRAPHIC MAPS.

DATE APRIL 27, 20 15OPERATORS WELL NO. ERLEWINE #16HUAPI
WELL NO. 47-103-
STATE COUNTY PERMIT

MINIMUM DEGREE OF ACCURACY 1/2500 FILE NO. W2192 (BK 74-35)
PROVEN SOURCE OF ELEVATION SG-GPS (OPUS) SCALE 1" = 1000'

STATE OF WEST VIRGINIA
DIVISION OF ENVIRONMENTAL PROTECTION
OFFICE OF OIL AND GAS



WELL TYPE : OIL GAS LIQUID WASTE IF
INJECTION DISPOSAL "GAS" PRODUCTION STORAGE DEEP SHALLOW
LOCATION :
ELEVATION 1,220' WATERSHED TRIBUTARY OF PROCTOR CREEK
DISTRICT PROCTOR COUNTY WETZEL QUADRANGLE NEW MARTINSVILLE 7.5'
SURFACE OWNER RICHARD ERLEWINE ACREAGE 135±
ROYALTY OWNER RICHARD ERLEWINE, et al LEASE ACREAGE 487.85±
PROPOSED WORK : LEASE NO.
DRILL CONVERT DRILL DEEPER REDRILL FRACTURE OR STIMULATE PLUG OFF OLD
FORMATION PERFORATE NEW FORMATION PLUG AND ABANDON CLEAN OUT AND REPLUG OTHER
PHYSICAL CHANGE IN WELL (SPECIFY) TARGET FORMATION UTICA/POINT PLEASANT
ESTIMATED DEPTH TVD-11,350' MD- 18,350'

WELL OPERATOR STONE ENERGY CORPORATION DESIGNATED AGENT TIM MCGREGOR
ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508 ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

ERLEWINE #16HU

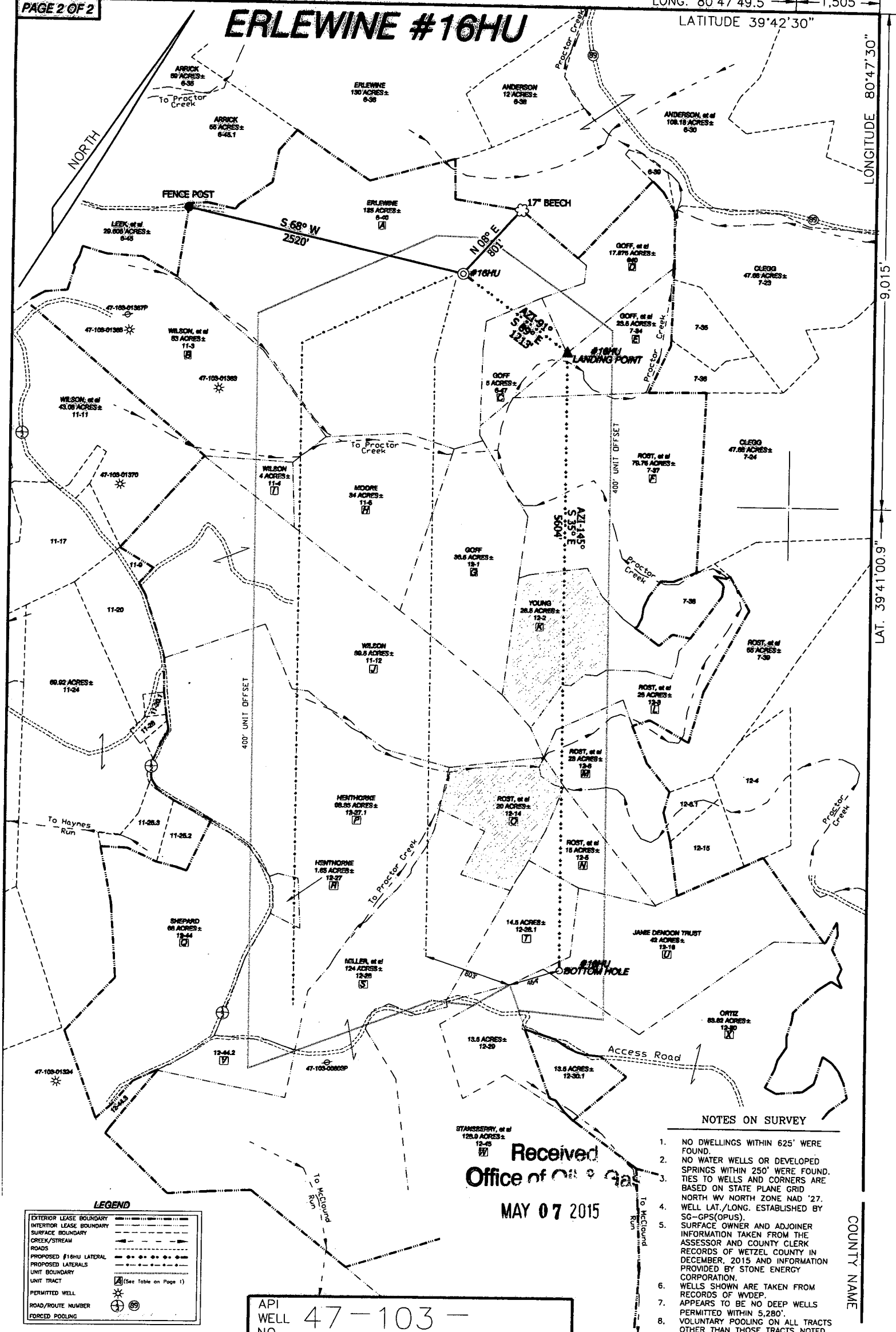
LONGITUDE 80°47'30"

9,015' -

AT 39°41'00.9"

COUNTY NAME

PERMIT



NOTES ON SURVEY

1. NO DWELLINGS WITHIN 625' WERE FOUND.
2. NO WATER WELLS OR DEVELOPED SPRINGS WITHIN 250' WERE FOUND.
3. TIES TO WELLS AND CORNERS ARE BASED ON STATE PLANE GRID NORTH WV NORTH ZONE NAD '27.
4. WELL LAT./LONG. ESTABLISHED BY SG-GPS(OPUS).
5. SURFACE OWNER AND ADJOINER INFORMATION TAKEN FROM THE ASSESSOR AND COUNTY CLERK RECORDS OF WETZEL COUNTY IN DECEMBER, 2015 AND INFORMATION PROVIDED BY STONE ENERGY CORPORATION.
6. WELLS SHOWN ARE TAKEN FROM RECORDS OF WDEP.
7. APPEARS TO BE NO DEEP WELLS PERMITTED WITHIN 5,280'.
8. VOLUNTARY POOLING ON ALL TRACTS OTHER THAN THOSE TRACTS NOTED.
9. THIS PLAT AND/OR THE DEPICTIONS ARE UNDER NO CIRCUMSTANCES TO BE CONSTRUED AS ANY TYPE OF BOUNDARY SURVEY. THIS PLAT IS FOR OIL & GAS PURPOSES ONLY AND IS CREATED FOR THE USE OF THE WELL OPERATOR(S) ONLY.

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API
WELL NO. 47-103 -
STATE COUNTY PERMIT
DATE APRIL 27, 20 1
OPERATORS WELL NO. ERLEWINE #16HU

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P.O. Box 647 Grantsville, WV 26147
 (304) 354-7035 EMAIL: hupp@frontiernet.net

WELL OPERATOR STONE ENERGY CORPORATION

ADDRESS P.O. BOX 52807 LAFAYETTE, LA 70508

DESIGNATED AGENT TIM MCGREGOR

ADDRESS 1300 FORT PIERPONT DR., SUITE 201 MORGANTOWN, WV 26508

Form W-9

Page 1 of 1

**Stone Energy
Corporation
Erlewine #12HU**



NORTH

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1" = 4000'
New Martinsville 7.5'

Stone Energy Corp.
1300 Fort Pierpont Dr., Suite 201
Morgantown, WV 26508

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Form W-9

**Stone Energy
Corporation
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1" = 4000'
New Martinsville 7.5'

Stone Energy Corp.
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Morgantown, WV 26508

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Corporation
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NORTH

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1" = 4000'
New Martinsville 7.5'

Stone Energy Corp.
1300 Fort Pierpont Dr., Suite 201
Morgantown, WV 26508

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**Exhibit C
Offset Operators**

Erlewine 12 HU

District	Tax Map	Parcel	Lessee/Unleased Owner	Address
12	11	20.1	Debra Lynn Oates	Rt. 1 Box 68 New Martinsville, WV 26155 ✓
12	11	20.1	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981 ✓
12	11	25.2	Lois M. Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Emily Rachael Smith	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Amber Marie Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	25.2	Stephen Justin Headley	RD 4 Box 333B Apt. C5 Moundsville, WV 26041 ✓
12	11	28	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	14	Susan Rosier	Out of country/unknown
12	12	14	Lewis F. Arman Heirs	Unknown
12	12	14	Susan F. Dotson heirs	Unknown
12	12	14	Thomas Arman heirs	Unknown
12	12	14	Fred Arman heirs	Unknown
12	12	14	Ruben (Reuben) Arman heirs	Unknown
12	12	14	B.W. (Byron) Arman heirs	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	6	40	Ethel Anderson Heirs	Unknown
12	11	11	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	20	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	24	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	25.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	9	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	45.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	47	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

Erlewine 14 HU

District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	2	Leona Bower	Unknown
12	12	2	Carolyn Shinn heirs	Unknown
12	12	2	Cynthia Smith	Rt. 1 Box 189 S. Keyser, WV 26726 ✓
12	12	2	Kelly Dalton	Unknown
12	12	2	Kristin Shahan	Unknown
12	12	2	Meredith Smith, Jr.	Unknown
12	12	2	Bryan R. Hoskins	5080 Likini Street #315 Honolulu, HI 96818 ✓
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389 ✓
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042 ✓
12	11	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	11	4	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44.2	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	37	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	34	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	44	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	3	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	6	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	40	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	16	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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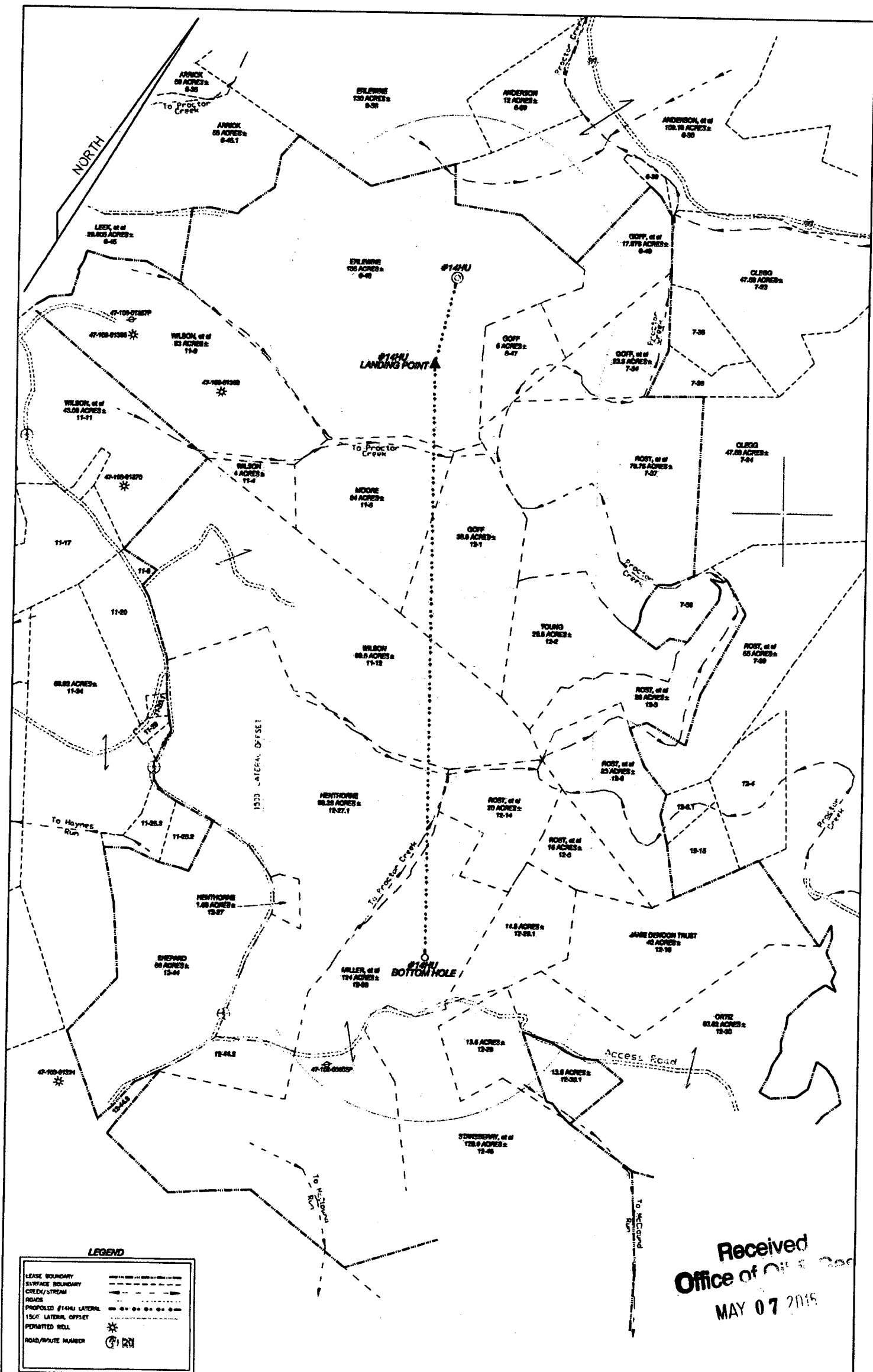
Erlewine 16 HU

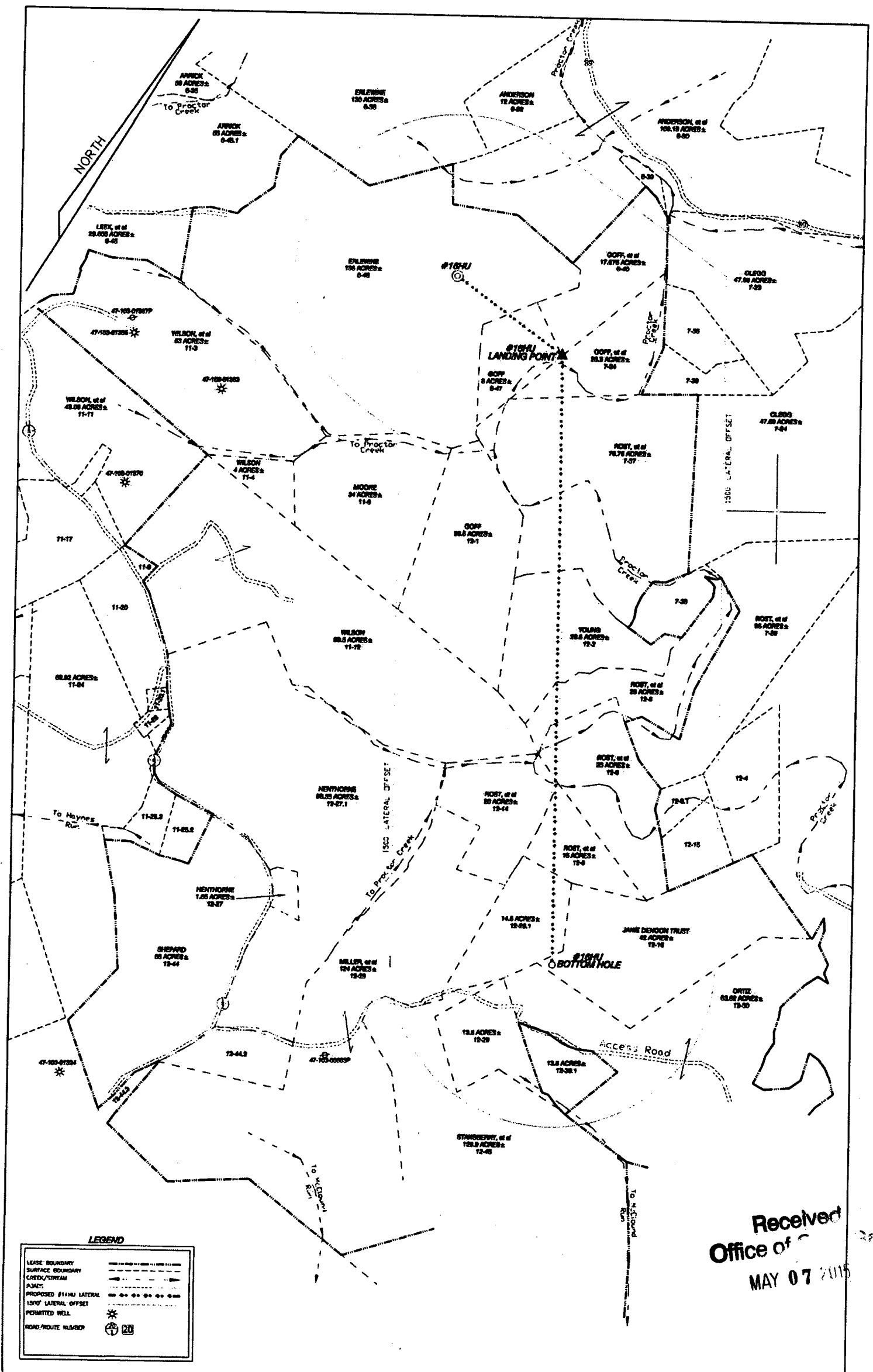
District	Tax Map	Parcel	Lessee/Non-Leased	Address
12	12	15	Amanda Butler Heirs	Unknown
12	12	15	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107 ✓
12	12	15	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701 ✓
12	12	4	Amanda Butler Heirs	Unknown
12	12	4	TH Exploration, LLC	550 Bailey Avenue Suite 510 Fort Worth, TX 76107
12	12	4	MM-Marcellus III, LP	508 W. Wall Street Midland, TX 79701
12	7	23	Venable Royalty, Ltd	5910 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	Verno, Ltd	5911 North Central Expressway Suite 1470 Dallas, TX 75206 ✓
12	7	23	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	24	Antero Resources Appalachian Corporation	1625 17th Street Denver, CO 80202 ✓
12	7	35	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	7	36	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	SWN Production Company LLC	10000 Energy Drive Spring, TX 77389
12	12	30.1	Statoil USA	2103 Citywest Boulevard Suite 800 Houston, TX 77042
12	12	6.1	Hilda A. Porter	7114 Dallas Pike Dallas, WV 26036 ✓
12	12	6.1	Carl William Goddard	Unknown
12	12	6.1	Arnold E. Smith	934 N. State Rt. 2 New Martinsville, WV 26155 ✓
12	12	6.1	MaryLou L. Smith	618 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	David L. Smith	20 Steelton St. New Martinsville, WV 26155 ✓
12	12	6.1	Ralph O. Smith	128 Central St New Martinsville, WV 26155 ✓
12	12	6.1	Milton O. Smith	616 Foundry St. New Martinsville, WV 26155 ✓
12	12	6.1	Sonny L. Smith	Rt. 1 Box 89 New Martinsville, WV 26155
12	12	6.1	Nellie Suter	Unknown
12	12	29	George and Belinda Burton Heirs	4431 Scissortail Loop Westerville, OH 43981
12	11	5	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	45	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	30	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	6	36	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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12	6	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	39	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	27.1	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	12	28	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508
12	7	38	Stone Energy Corporation	625 East Kaliste Saloom Road Lafayette, LA 70508

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P.O. Box 647 Grantsville, WV 26147
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ERLEWINE #16HU OFFSET MAP

STONE ENERGY CORPORATION
P.O. Box 647 LAFAYETTE, LA 70508

CERTIFICATE OF CONSENT AND EASEMENT

We, the undersigned, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, being all the owners of the surface of that certain lot, tract or parcel of land located in Proctor District, Wetzel County, State of West Virginia, shown on the attached plat or survey, do hereby consent and grant an easement, pursuant to West Virginia Code, Section 22C-9-7(b)(4) and Operating Rule 4.4 of the Rules and Regulations of the West Virginia Oil and Gas Conservation Commission, to Stone Energy Corporation, its successors or assigns, for the drilling and operation of a deep well for the production of oil or gas at the location shown on the attached plat or survey.

Executed this 11th day of February, 2015.

Richard L. Erlewine
Richard L. Erlewine

STATE OF WEST VIRGINIA

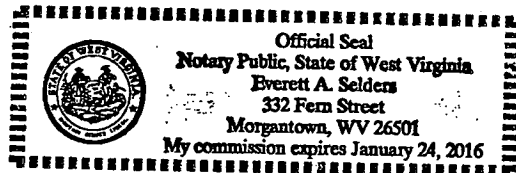
COUNTY OF Wetzel To-Wit

I, Everett A. Selders, a Notary Public in and for the aforesaid County and State, do hereby certify that Richard L. Erlewine, whose name is signed to the writing above, bearing date on the 11th day of February, 2015, has this day acknowledged the same before me, in my said County and State. Given under my hand this 11th day of February, 2015.

Everett A. Selders

My Commission expires on: 1/24/2016

This instrument prepared by:
WV Oil and Gas Conservation Commission
601 57th Street
Charleston, WV 25304



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Office of Oil & Gas
MAY 07 2015

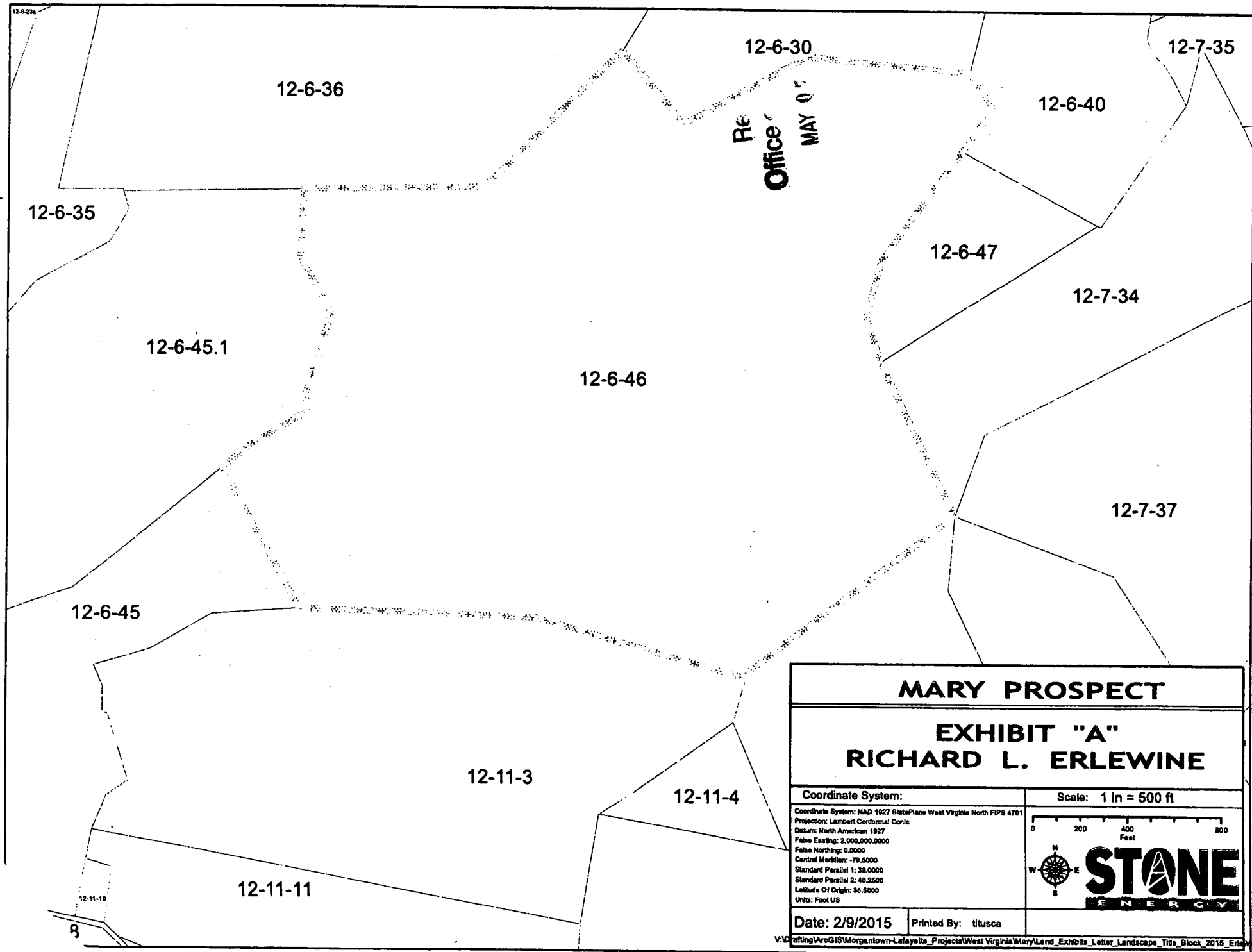


Exhibit E Unit Interest of Unleased Owners					
District/Tax Map/Parcel	Acres in Unit	Unleased Owner	Address	% Interest	Net Acres
12-12-14	21.7	Susan Rosier	Unknown	7.50%	1.6275
12-12-14	21.7	Lewis F. Arman Heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Susan F. Dotson heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Thomas Arman heirs	7616 WELCOME DRIVE WAKE FOREST, NC 27587	2.50%	0.5425
12-12-14	21.7	Fred Arman heirs	Unknown	2.50%	0.5425
12-12-14	21.7	Ruben (Reuben) Arman heirs	Unknown	2.50%	0.5425
12-12-14	21.7	B.W. (Byron) Arman heirs	Unknown	2.50%	0.5425
12-12-2	20	Leona Bower	Unknown	2.86%	0.571428
12-12-2	20	Carolyn Shinn Heirs	128 SOUTH 2ND AVE PADEN CITY, WV 26159	1.30%	0.25974
12-12-2	20	Cynthia Smith	Rt. 1 Box 189 S KEYSER, WV 26726	1.30%	0.25974
12-12-2	20	Kelly Dalton	9 BEECH STREET AMBRIDGE, PA 15003	0.26%	0.051948
12-12-2	20	Kristin Shahren	905 LENZ AVE AMBRIDGE, PA 15003	0.52%	0.103896
12-12-2	20	Meredith Smith, Jr.	927A RIVERSIDE DRIVE BEAVER, PA 15009	0.52%	0.103896
12-12-2	20	Bryan R. Hoskins	5080 LIKINI STREET #1014 HONOLULU, HI 96818	1.59%	0.31746
					6.550608

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OIL AND GAS CONSERVATION
COMMISSION
601 57TH STREET
CHARLESTON, WV 25304

CERTIFIED MAIL



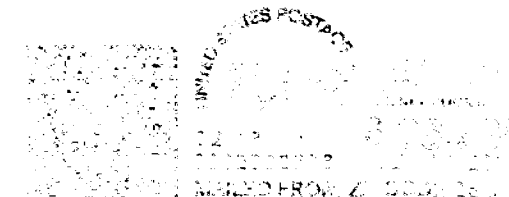
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LS 744.77

2871.45

175.

128.58



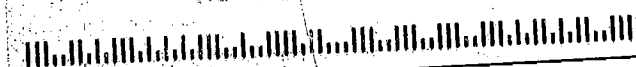
233-223

NIXIE

320343518-1N

07/18/15

RETURN TO SENDER
UNABLE TO FORWARD
UNABLE TO FORWARD
RETURN TO SENDER



CF-8

Bryan R. Hoskins

5080 Likini Street #215 1014

Ho

HOSK080 968182006-1415 07/08/15
NOTIFY SENDER OF NEW ADDRESS
HOSKINS' BRIAN R
631 TARPON AVE APT 6408
FERNANDINA FL 32034-2105

